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TRANSCRIPT OF RECORD

Supreme Court of the United States

OCTOBER TERM, 1962

No. 322

ALEXANDER T. SPERRY, PETITIONER,

vs.

STATE OF FLORIDA, EX REL. THE FLORIDA BAR.

ON WRIT OF CERTIORARI TO THE SUPREME COURT
OF THE STATE OF FLORIDA

PETITION FOR CERTIORARI FILED AUGUST 10, 1962
CERTIORARI GRANTED OCTOBER 22, 1962

SUPREME COURT OF THE UNITED STATES

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[fol. 1] [File endorsement omitted]

IN THE SUPREME COURT OF THE STATE OF FLORIDA

STATE OF FLORIDA, ex rel., THE FLORIDA BAR, Petitioner,

vs.

ALEXANDER T. SPERRY, Respondent.

NOTICE OF INTENTION TO APPLY FOR PETITION FOR RULE TO SHOW CAUSE—Filed February 23, 1961

Please Take Notice that the Relator will apply to the Supreme Court of Florida on Monday, March 6, 1961, at 9:30 o'clock in the morning, or as soon thereafter as counsel can be heard upon the call of the motion calendar, for the issuance of Rule to Show Cause why Respondent Alexander T. Sperry should not be held in contempt of this Court for unauthorized practice of law and for an injunction in accordance with the prayers for Rule to Show Cause filed in the above styled original proceedings.

Sherwood Spencer, J. Lewis Hall, Donald J. Bradshaw, J. Nixon Daniel, Jr. and John H. Gunn, as and constituting the Special Committee of the Board of Governors of The Florida Bar on Patent Attorneys, Unauthorized Practice of Law.

Sherwood Spencer, of Counsel, 1909 Tyler Street, P. O. Box 6, Hollywood, Florida.

[fol. 2] Certificate of Service (omitted in printing).

[fol. 3]

IN THE SUPREME COURT OF THE STATE OF FLORIDA

STATE OF FLORIDA, ex rel., THE FLORIDA BAR, Petitioner,

vs.

ALEXANDER T. SPERRY, Respondent.

PETITION FOR RULE TO SHOW CAUSE—
Filed February 23, 1961

To the Honorable Justices of the Supreme Court of Florida:

[Handwritten notation—Grant—make rule returnable in 10 days—O'C, R, Drew, CT, ET]

The Florida Bar respectfully shows unto this Court as follows:

I.

That Respondent, Alexander T. Sperry, is engaged in the unauthorized practice of law, in that although he is not a member of The Florida Bar, he nevertheless maintains an office at the First National Bank Building, 8th Floor, in Tampa, Florida, and holds himself out to the public as a Patent Attorney, and with his knowledge and consent is so listed in the yellow pages of the current City of Tampa telephone directory, a copy of said listing being attached hereto, marked Exhibit "A", and made a part hereof.

The words "Patent Attorney" appear on the door entering the office of the Respondent at his aforesaid address, and the directory in the lobby of said First National Bank Building lists Respondent as "Patent Attorney" with his knowledge and consent.

[fol. 4] In addition to the foregoing acts of Respondent in which he holds himself out to the public as authorized to engage in the practice of law in the patent field, Petitioner is informed, and upon such information and belief alleges that Respondent represents Florida clients before

the United States Patent Office, and has rendered opinions as to patentability, and infringement opinions advising clients as to whether or not existing patents provide a basis for a cause of action in the Federal Court, and that Respondent has prepared various legal instruments, including contracts, applications and amendments to applications for letters patent, and filed same in the United States Patent Office in Washington, D. C., and has prepared briefs and authorities with points of law relating thereto.

II.

Section 2, Article II of the Integration Rule of The Florida Bar adopted by this Court provides:

> "2. No person shall engage in any way in the practice of law in this state unless such person is an active member of The Florida Bar, in good standing, except that a practicing attorney of another state, in good standing, who has professional business in a court of record of this state may, upon motion, be permitted to practice for the purpose of such business only, when it is made to appear that he has associated and appearing with him in such business an active member of The Florida Bar."

III.

That by reason of the matters and things heretofore alleged Respondent is holding himself out to practice in the patent field or phase of law without being a member of The Florida Bar and amenable to the Rules and Regula-[fol. 5] tions of the Florida Courts and Rules of Ethics heretofore adopted and promulgated by this Court, and contrary to the enunciations of this Court relating to the practice of law as outlined in the *Petition of Kearney*, 63 So. 2d 630.

IV.

That unless and until Respondent is enjoined by this Honorable Court from performing the acts hereinabove related, Petitioner is unable to properly protect the rights

of the lay public in various fields of law, including the law of patents.

V.

This proceeding has heretofore been authorized by the Board of Governors of The Florida Bar.

Wherefore, Petitioner Respectfully Prays:

1. That this Honorable Court issue its Rule to Show Cause directed to Respondent requiring him to appear and show cause before this Court why he should not be adjudged guilty of contempt for engaging in the unauthorized practice of law.

2. That under the power inherent in this Court, that this Court after a hearing on the matter issue its injunctive order permanently restraining Respondent from the acts herein complained of constituting unauthorized practice of law.

3. That Petitioner may have such further and other relief incident to this proceeding so as to protect Petitioner, the members of The Florida Bar, and the lay public, from the unauthorized invasion by Respondent into the practice of law.

The Florida Bar, By C. Clyde Atkins, President.

Sherwood Spencer, J. Lewis Hall, Donald J. Bradshaw, J. Nixon Daniel, Jr. and John H. Gunn, as and constituting the Special Committee of the Board of Governors of The Florida Bar on Patent Attorneys, Unauthorized Practice of Law.

Sherwood Spencer, Of Counsel.

[fol. 6] *Duly sworn to by C. Clyde Atkins, jurat omitted in printing.*

[fol. 7]

EXCERPT FROM EXHIBIT "A" TO PETITION

PATENT ATTORNEYS

Miller Gustave
501 13th st NW Washington D C
(Toll Chrg) Call Long Distance (Dial O)

Raney Roy E
Hall bl St Petersburg
(Toll Chrg) Call Long Distance (Dial O)

Sperry Alexander T 1st Natl Bank bl 2-3275

[fol. 30]

IN THE SUPREME COURT OF FLORIDA

January Term, A. D. 1961

[Title omitted]

ORDER DIRECTING RULE TO ISSUE—March 6, 1961

The petitioner in the above cause has filed a Petition for a Rule to Show Cause directed by respondent requiring him to appear and show cause before this Court why he should not be adjudged guilty of contempt for engaging in the unauthorized practice of law, and upon consideration thereof, it is ordered that the Rule issue.

[fol. 31]

IN THE SUPREME COURT OF FLORIDA

January Term, A. D. 1961

[Title omitted]

RULE TO SHOW CAUSE—March 6, 1961

In the Name and by the Authority of the State of Florida to Alexander T. Sperry, Greeting:

You are hereby required to show cause, if any you can, within ten (10) days from this date, why you should not be

adjudged in contempt of this Court for engaging in the unauthorized practice of law.

Witness the Honorable Elwyn Thomas, Chief Justice of the Supreme Court of Florida, and the Seal of said Court at Tallahassee, the Capital, on this 6th day of March, 1961.

....., Clerk of the Supreme Court of Florida.

[fol. 32] [File endorsement omitted]

IN THE SUPREME COURT OF THE STATE OF FLORIDA

[Title omitted]

ANSWER AND DEFENSES—Filed March 17, 1961

Now comes Alexander T. Sperry respondent in the above styled and numbered cause and files and serves herewith his answer and defenses to the petition for rule to show cause heretofore served upon him and says:

First Defense

For his first defense and answering the numbered paragraphs of the petition for rule to show cause the respondent says:

1. Answering the first unnumbered subparagraph of paragraph I the respondent denies that he is engaged in the unauthorized practice of law within the State of Florida, but admits that he is not a member of the Florida Bar. The respondent admits that he maintains an office in the First National Bank Building, 8th Floor, in Tampa, Hillsborough County, Florida, and says that he has held himself out to the public as a "Patent Attorney". The respondent admits that he has caused his name to appear under the classification of "Patent Attorney" in the telephone directory of the City of Tampa.

Answering the second unnumbered subparagraph of paragraph I the respondent admits that he caused the words

"Patent Attorney" to appear on his office door and on the [fol. 33] directory of the First National Bank Building in Tampa, Florida.

Further answering the first and second unnumbered subparagraphs of paragraph I respondent says that since the date of the filing of the petition for rule to show cause herein he has discontinued his use of the words "Patent Attorney" as a designation of the services he furnishes and now uses the word "Patents".

Answering the third unnumbered subparagraph of paragraph I the respondent admits that he represents Florida citizens before the United States Patent Office; he admits that he has rendered opinions as to patentability; and he admits he has prepared and filed before the United States Patent Office applications for patents and amendments thereto and patent assignments. Respondent admits that he has on one occasion advised a client as to whether an issued patent furnishes a basis of a cause of action for patent infringement, but says on that occasion the infringement opinion was part of his work in filing a patent application for the client. Respondent admits that he has formulated patent license agreements in rough form, but states that he has never prepared a finished patent license for execution by a client or for others to execute, respondent's activity being merely the preparation of a memorandum of the agreements of the proposed patent license. Respondent denies that he has prepared "various contracts" save for those herein admitted, and denies that he has prepared briefs and authorities with points of law relating thereto.

2. Respondent admits the allegations of paragraph II.

3. Respondent denies the allegations of paragraph III.

[fol. 34] 4. Respondent denies that the lay public will be protected by the issuance of the injunctive relief sought by the petition for rule to show cause as alleged in paragraph IV, but says, rather, that within his restricted field of practice before the United States Patent Office that he is able and competent to fully represent any citizen of the State of Florida as a member of the lay public before the

United States Patent Office and the application for and prosecution of patent applications, and in incidental work not solely related to the prosecution of patent applications.

5. The respondent admits the allegations of paragraph V.

Defenses

Further answering the petition for rule to show cause the respondent would state and show unto the Court that he began his work in the field of patents at the age of eighteen (18) years as a patent searcher. That on January 12, 1928 the respondent was admitted to practice before the United States Patent Office as a "Patent Attorney" being registration No. 12,529. That since that time the respondent has been continuously engaged in the profession of preparing patent and trademark applications and prosecuting matters relating to patents and trademarks before the United States Patent Office. That at the time of his admission in the United States Patent Office the sole nomenclature of that office for practitioners before it was that of "Patent Attorney" and that any person so admitted, whether an attorney licensed to practice law in any state or not was designated as "Patent Attorney". That thereafter, on November 19, 1938 the nomenclature of the Patent Office was changed to provide two designations: "Patent Attorney" for persons admitted before the Patent Office [fol. 35] who were licensed to practice before the bar of any state, and "Patent Agents" for practitioners who were licensed to practice before the United States Patent Office, but not licensed to practice before the bar of any state. It was specifically provided by the Patent Office that those who were originally admitted as "Patent Attorneys" should retain that designation. That the respondent has been continuously engaged in all aspects of processing applications before the United States Patent Office since the year 1925, including preparing and filing patent applications and amendments thereto, proceedings to make special, public use proceedings, interference proceedings and has likewise engaged in all phases of trademark practice before the United States Patent Office.

Adopting and repeating all and several the foregoing allegations and incorporating the same into each of the following affirmative defenses the respondent says:

Second Defense

For his second defense the respondent says that each and several the matters charged against him herein do not constitute the unauthorized practice of law under Section 2, Article II of the Integration Rule of the Florida Bar, or otherwise.

Third Defense

For his third defense the respondent says that the granting of the injunctive relief sought by the petitioner be inequitable, unfair and oppressive in that the granting of said relief would, in effect, deprive the respondent of the ability to earn a living in the preparation and prosecution of patent applications and the work normally incidental thereto within the State of Florida.

Fourth Defense

For his fourth defense the respondent says that the granting of injunctive relief against him herein would de- [fol. 36] prive him of property without due process of law under the Constitution of the State of Florida and under the Fifth and Fourteenth Amendments to the Constitution of the United States and that, further, the application of Section 2, Article II, of the Integration Rule of the Florida Bar to respondent in granting the relief sought by the petitioner would deprive him of property without due process of law under the Constitution of the State of Florida and of the Fifth and Fourteenth Amendment of the Constitution of the United States.

Fifth Defense

For his fifth defense the respondent says that the activity to which he is charged in the petition for rule to show cause, save for the preparation of brief and the general statement that he has prepared "contracts" are directly

similar to the activities engaged in by the so-called "Class B Practitioners" before various administrative tribunals of the Federal Government, including, but not limited to the National Labor Relations Board, Internal Revenue Service and the Interstate Commerce Commission. Such "Class B Practitioners" are not obligated to have legal training and on many occasions are not required to have the expertise in the field of speciality which the respondent has demonstrated by his admission to practice before the United States Patent Office.

Sixth Defense

For his sixth defense the respondent says that the work which he performs for Florida citizens is related solely to matters before the United States Patent Office, in the nature of the preparation and prosecution of patent applications and is not activity within the purview of Section 2, Article II of the Integration Rule of the Florida Bar.

[fol. 37] Seventh Defense

For his seventh defense the respondent says that the work performed by him for Florida citizens is solely that work which is presented to the United States Patent Office and that he charges fees solely for his work of preparing and prosecuting patent applications and patent assignments and determinations incident to preparing and prosecuting patent applications and assignments.

Respectfully submitted,

Harry Kemker, Attorney for Respondent.

Of Counsel: Fowler, White, Gillen, Humkey & Trenam; 1002 Citizens Building, Tampa 2, Florida.

Certificate of Service (omitted in printing).

[fol. 38]

IN THE SUPREME COURT OF THE STATE OF FLORIDA

[Title omitted]

MOTION FOR SUMMARY DECREE, OR IN THE ALTERNATIVE, MOTION FOR DECREE ON THE PLEADINGS (Oral Argument Wednesday, June 14, 1961, Five Man Court)

Comes now Petitioner, The Florida Bar, and respectfully shows unto this Court that the Respondent, Alexander T. Sperry, has heretofore filed his Answer and Defenses to the Petition charging him with unauthorized practice of law, and that said Respondent had admitted performing all of the acts which The Florida Bar alleges are acts of unauthorized practice of law except that he denies that he has prepared various contracts and denies that he has prepared briefs; accordingly, your Petitioner respectfully withdraws from the consideration of this Court the statements in its Petition charging Respondent with preparing contracts and briefs so as to enable the Court to have before it uncontradicted questions of fact.

Specifically, Respondent admits that he is not a member of The Florida Bar, and has committed the following acts:

1. That he maintained an office as a "Patent Attorney" in Tampa, Florida, and held himself out to the public as a "Patent Attorney", which activities he says he has dis- [fol. 39] continued since the filing of the Petition herein.

2. That he represents Florida clients before the United States Patent Office.

3. That he has on at least one occasion advised a client as to whether or not he had a cause of action for patent infringement.

4. That he has rendered opinions as to patentability.

5. That he has prepared and filed applications for letters patent.

6. That he has prepared and filed amendments to applications for letters patent.

That the facts alleged in the Petition which are admitted by Respondent's pleading show that there is no genuine issue of any material fact, and that Petitioner is entitled to a decree as a matter of law.

Wherefore, Your Petitioner respectfully moves this Court as follows:

1. To enter its Summary Decree herein granting the relief prayed for in the Petition of The Florida Bar, and enjoining Respondent from unauthorized practice of law.

2. In the alternative, Petitioner respectfully moves this Court to enter a Decree for Petitioner based upon the pleadings herein granting the relief prayed for in the Petition of The Florida Bar.

3. That this Court in and by its Decree define the practice of law in the State of Florida insofar as it relates to [fol. 40] the patent field or phase of law.

4. That this Court in and by its Decree specifically determine the activities which Respondent cannot perform in the patent field or phase of law in the State of Florida.

Sherwood Spencer, J. Lewis Hall, Donald J. Bradshaw, J. Nixon Daniel, Jr. and John H. Gunn, as and constituting the Special Committee of the Board of Governors of The Florida Bar on Patent Attorneys, Unauthorized Practice of Law.

By Sherwood Spencer, of Counsel.

Certificate of Service (omitted in printing).

[fol. 41] [File endorsement omitted]

IN THE SUPREME COURT OF THE STATE OF FLORIDA

[Title omitted]

REQUEST FOR ORAL ARGUMENT—Filed April 12, 1961

Comes now Petitioner in the above entitled cause, and requests an oral argument in said cause.

Sherwood Spencer, J. Lewis Hall, Donald J. Bradshaw, J. Nixon Daniel, Jr. and John H. Gunn, as and constituting the Special Committee of the Board of Governors of The Florida Bar on Patent Attorneys, Unauthorized Practice of Law.

By Sherwood Spencer, of Counsel.

Certificate of Service (omitted in printing).

[fol. 84]

IN THE SUPREME COURT OF FLORIDA

January Term, A. D. 1962

Not Final Until Time Expires to File Rehearing Petition and, If Filed, Determined.

Case No. 31,411

STATE OF FLORIDA, ex rel., THE FLORIDA BAR, Petitioner,

vs.

ALEXANDER T. SPERRY, Respondent.

OPINION—Filed April 4, 1962

Original Jurisdiction—Complaint from The Florida Bar.

Sherwood Spencer, J. Lewis Hall, Donald J. Bradshaw, J. Nixon Daniel, Jr., and John H. Gunn, as and constituting

the Special Committee of the Board of Governors of The Florida Bar on Patent Attorneys, Unauthorized Practice of Law, for The Florida Bar, Petitioner.

Harry Kemker, for Respondent.

O'CONNELL, J.

In this cause The Florida Bar, by petition filed in this Court, seeks to invoke the original jurisdiction of this Court asking that we require the respondent to show cause why he should not be held in contempt of this Court for the unauthorized practice of law, and further that we enjoin respondent from further unauthorized practice of law in this state.

Basically the petition alleges that the respondent, Alexander T. Sperry, is engaged in the unauthorized practice of law, in violation of Section 2, Article 4, Integration Rule, The Florida Bar, 31 F.S.A., in that although he is not a member of The Florida Bar, hereinafter referred to as the Bar, he nevertheless holds himself out to the public as a patent attorney, maintains an office in Tampa, Florida [fol. 85] on the door of which appear the words "Patent Attorney", and is so listed in the telephone directory of the City of Tampa and on the directory in the lobby of the building in which his office is located. Further, the petition alleges that the respondent represents Florida clients before the United States Patent Office, hereinafter referred to as Patent Office; has rendered opinions as to patentability and opinions as to whether or not patent rights are being infringed and are the subject of a cause of action in the courts; has prepared various legal instruments, including contracts, applications and amendments to applications for letters patent, and filed same in the Patent Office in Washington, D.C.; and has prepared briefs and authorities with points of law relating thereto.

Respondent filed an answer to this petition in which he admitted that he was not a member of the Bar, and admitted all the other allegations thereof with the exceptions or qualifications which follow.

As to advising clients on infringement of existing patents, respondent stated he did so only on one occasion

and that he did so as a part of his work in filing an application for a patent for a client. As to patent license agreements he alleged that he prepared such only in rough and never in finished form.

He denied that he had prepared any other contracts and denied that he had prepared briefs and authorities with points of law relating thereto.

In defense he also asserted, among other things, that he is duly admitted to practice before the Patent Office, having been admitted in 1928, and under the rules and regulations of that office he is authorized to use the nomenclature "Patent Attorney" even though he is not an attorney-at-law in any jurisdiction; the acts performed by him do not constitute the unauthorized practice of law; and that the injunctive relief prayed for would, if granted, deprive him of the ability to earn a living and deprive him of property without due process of law under the Constitution of [fol. 86] Florida and the Fifth and Fourteenth Amendments to the United States Constitution.

The matter has been submitted on the pleadings. The material facts being admitted there is no need for the taking of testimony.

While not raised by either party the first question which we feel necessary for decision is whether this matter is within the original jurisdiction of this Court.

In 1956 the electorate of this state adopted a revised Article V of our state constitution. Section 23 of this new article gives this Court "exclusive jurisdiction over the admission to the practice of law and the discipline of persons admitted."

Quite obviously this matter now before us does not involve either the admission of an applicant to the Bar or the discipline of one already admitted. The question then is whether the authority imposed in Section 23, Article V, also carries with it the power to prevent the practice of law by those who are not admitted to the practice. We think that it must and it does for if it does not the express power to control admissions would be meaningless.

This identical question was raised in a similar case in *West Virginia State Bar* v. *Earley*, W. Va. 1959, 109 S. E.

2d 420. We adopt as ours the words that court spoke in disposing of the question, at 109 S. E. 2d, p. 440, to-wit:

> ". . . It would indeed be an anomaly if the power of the courts to protect the public from the improper or unlawful practice of law were limited to licensed attorneys and did not extend or apply to incompetent and unqualified laymen and lay agencies. Such a limitation of the power of the courts would reduce the legal profession to an unskilled vocation, destroy the usefulness of licensed attorneys, as officers of the courts, and substantially impair and disrupt the orderly and effective administration of justice by the judicial department of the government; and this the law will [fol. 87] not recognize or permit."

The express power contained in our state constitution makes unnecessary any discussion of the inherent power of the courts to regulate the practice of law and those who engage in it. Were it necessary to do so there is abundant authority to support the view that the courts do have such power. *Petition of Florida State Bar Ass'n*, 1938, 134 Fla. 851, 186 So. 280; *Chicago Bar Ass'n* v. *Kellogg*, 1949, 338 Ill. App. 618, 88 N. E. 2d 519; *In re Baker*, 1951, 8 N. J. 321, 85 A. 2d 505; *West Virginia State Bar* v. *Earley*, 109 S. E. 2d 420, supra.

The next question then is whether this Court may enforce its authority in such matters by either or both contempt proceedings and injunction.

The unauthorized practice of law constitutes a contempt of court. *West Virginia State Bar* v. *Earley*, supra; *In re Baker*, supra. See also Cases Noted, 6 Miami Law Quarterly 606.

In *Hargett* v. *Lake*, Kent. App. 1957, 305 S. W. 2d 523, as in this case before us, a proceeding was brought originally in the appellate court seeking to have a person held in contempt and appropriately punished for practicing law without license or right. That court adjudged the person involved to be in contempt and ruled that " . . . he is permanently enjoined from engaging in the practice of law."

Aside and apart from these decisions which support the view that a court may invoke contempt and injunctive powers to enforce its authority in such matters, this Court has constitutional authority for so doing.

Sec. 4(2), Art. V, Fla. Const., F.S.A. gives this Court the authority to "issue all writs necessary or proper to the complete exercise of its jurisdiction." Having held above that the authority to regulate the practice of law by those not admitted to the Bar is vested in this Court under the cited section of the constitution, it follows that the power to issue writs necessary to enforce its rules [fol. 88] and orders applies to matters affecting the practice of law as much as to any other rule or order within its jurisdiction to enter.

The next question for decision is whether or not the acts committed by the respondent constitute the practice of law in this state. If this is answered in the negative our work is at an end. However if we find such acts to amount to the practice of law then we must determine whether, respondent having been licensed to practice before it by the Patent Office, this state has the power to deny the respondent the right to so practice in this state.

This Court has not previously been called upon to decide whether the activities charged against the respondent, i.e. the work done by a patent attorney, constitute the practice of law if done in this state.

In *Petition of Kearney,* Fla. 1953, 63 So. 2d 630, 631, this Court said that:

> "It follows that those who hold themselves out to practice in *any field or phase of law* must be members of the Florida Bar, amenable to the rules and regulations of Florida Courts. . . ." (Emphasis added.)

The Bar here urges that the practice of patent law is certainly a field or phase of law within the purview of this Court's opinion in the *Kearney* case.

There are however differences between the *Kearney* case and this one which require that we not treat it as dispositive of this case.

The petitioner Kearney was duly admitted to practice before the Supreme Court and the Tax Court of the United States and before the Treasury Department of the United States. He was not a member of The Florida Bar. He sought permission to practice in Florida as "Federal Tax Counsel" with his court appearances to be limited to the [fol. 89] federal courts and the departments above mentioned. This Court, in proceedings originating before it as in this case, ruled that the permission to practice in this state in the manner contemplated was not governed exclusively by the rules of the United States courts and departments; rather, it held that such would constitute the practice of law in this state and Kearney in order to do so would have to become a member of The Florida Bar, subject to the jurisdiction of this Court. In its opinion this Court cited Sec. 2, Integration Rule, supra, stressing that said rule provides that no person shall engage in any way in the practice of law in this state unless he is an active member of The Florida Bar.

In the *Kearney* case this Court obviously started with the premise that the activities which Kearney wished to pursue in this state constituted the practice of law. This Court did not discuss the question other than to state that the American Bar Association and many states hold that practice before the Tax Court and the Treasury Department may constitute the practice of law, citing decisions in support of the statement.

But in this case we cannot start with the premise that the activities of the respondent constitute the practice of law for he puts this question squarely in issue.

While the *Kearney* case may well stand for the proposition that practice before the Tax Court and the Treasury Department "may constitute the practice of law which may be enjoined if attempted by one not admitted to practice" (63 So. 2d at p. 630) it cannot be said to hold that practice before any or all other federal administrative agencies necessarily constitutes the practice of law.

[fol. 89a] The Bar refers us to certain decisions of courts of common pleas in Ohio which are directly in point and hold that activities such as those of the respondent here

do constitute the "practice of law." *Marshall* v. *New Inventors Club, Inc.*, 1953, 69 O.L.A. 578, 117 N. E. 2d 737; *Battelle Memmorial Institute* v. *Green*, 1961, 84 O.L.A. 353, 173 N. E. 2d 201. (See also *In re Battelle Memorial Institute*, Court of Common Pleas, Ohio 1960, 170 N. E. 2d 774 and 172 N. E. 2d 917.) These are not decisions of courts with final appellate jurisdiction and we do not accept them as binding precedent but we have found the reasoning expressed therein to be helpful to a fuller understanding of the problem under discussion.

[fol. 90] The Bar cites the case of *Chicago Bar Association* v. *Kellogg*, 88 N. E. 2d 519, supra. In that case the court held that the person so charged, without prejudice to his right to advise and assist applicants for patents in the presentation and prosecution of their applications for patents before the United States Patent Office, should be enjoined from the following activities:

1. giving legal advice;

2. preparing, drafting and construing legal documents, contracts, including patent licenses and deeds, assignments and other evidences of transfer of title to or interests in patent and other property;

3. rendering legal opinions, including legal opinions relating to title to, and validity, infringement and enforcement of, patents and trademarks and rights therein and thereto;

4. preparing, drafting and filing pleadings and other legal documents and papers in suits at law and in equity, in courts of record and before administrative tribunals, other than the Patent Office;

5. participating, as an attorney, in legal proceedings;

6. in behalf of persons represented by him, threatening to bring suits against other parties;

7. preparing and serving notice of and asserting attorney's lien; and

8. charging and collecting fees for legal services rendered by him and rendered by him and others.

[fol. 91] Apparently the court was not asked to and did not enjoin the preparation of applications for letters patent and of amendments to such applications. However, it did enjoin the charging of fees for legal services, including those wherein the Patent Office had jurisdiction.

Respondent's argument is that the practice of "patent law" is not the "practice of law." In support thereof he cites several cases which, while not actually in point, do strongly indicate the subject court's opinion to be that such practice is not the practice of law. *Zenith Radio Corp.* v. *Radio Corp. of America,* 121 F.Supp. 792 (D. Del. 1954); Application of Platamura, 1960, 22 Conn.Sup. 213, 166 A. 2d 859; *Public Service Traffic Bureau, Inc.* v. *Haworth Marble Co.,* 1931, 40 O.A. 255, 178 N.E. 703.

While few cases in other jurisdictions can be found relating to the question whether practice before the Patent Office constitutes practice of law, numerous decisions concerning such question as related to other agencies, departments and commissions can be found. There is lack of uniformity therein as to whether such practice is the practice of law. See Annotation 111 A.L.R. 19 (1937), supplemented in 125 A.L.R. 1173 and 151 A.L.R. 781.

The Patent Office, in the sense pertinent here, is an administrative agency, not a court.

Yet it is not the nature of the agency or body before which the acts are done, or even whether they are done before a tribunal of any sort or in the private office of an individual, that determines whether that which is done constitutes the practice of law. The best test, it seems to us, is what is done, not where, for the safest measure is the character of the acts themselves. If they constitute the practice of law the fact that they are done in the private office of the one who performs them or before a non-judicial body in no way changes their character.

Many courts have attempted to set forth a broad definition of the practice of law. Being of the view that such is nigh onto impossible and may injuriously affect the rights [fol. 92] of others not here involved, we will not attempt to do so here. Rather we will do so only to the extent required to settle the issues of this case.

It is generally understood that the performance of services in representing another before the courts is the practice of law. But the practice of law also includes the giving of legal advice and counsel to others as to their rights and obligations under the law and the preparation of legal instruments, including contracts, by which legal rights are either obtained, secured or given away, although such matters may not then or ever be the subject of proceedings in a court.

We think that in determining whether the giving of advice and counsel and the performance of services in legal matters for compensation constitute the practice of law it is safe to follow the rule that if the giving of such advice and performance of such services affect important rights of a person under the law, and if the reasonable protection of the rights and property of those advised and served requires that the persons giving such advice possess legal skill and a knowledge of the law greater than that possessed by the average citizen, then the giving of such advice and the performance of such services by one for another as a course of conduct constitute the practice of law.

We will use this measure in testing the acts of the respondent.

The first act to be performed by a person representing another who wishes to secure a patent on an alleged invention is to determine whether the device is patentable. As stated in *Marshall* v. *New Inventors Club, Inc.*, 117 N.E.2d 737, supra, at p. 739:

> "Not every alleged patent is patentable. Hence the rendering of an opinion as to patentability requires a knowledge of the patent statutes and of the decisions interpreting them. . . ."

A patent is undoubtedly a property right. It is difficult to see how any valid distinction can be made between [fol. 93] advising one as to whether he does or does not have a cause of action in a court involving his rights and advising one that he does or does not have a patentable device, under the laws and decisions applicable thereto, and the right to protect the invention by obtaining a patent.

The advising of persons as to their rights under the law universally has been held to be the practice of law. We think that one who holds himself out to the public in this state as qualified to advise as to patentability and does so is engaging in the practice of law. The same is true of the act of advising as to infringement of patent rights. Both require extensive knowledge of the law, statute and case, in a field of the law that is as technical and involved as any known today.

A patent is variously described as a public franchise or as a contract. In all definitions it is apparent that:

> "A patent duly issued amounts to a contract between the inventor and the government, under which the public, through the government, agrees that, in consideration of the inventor's disclosure of his invention and the grant of the right to use it after his patent expires, he shall be protected in his exclusive use during the life of the patent, . . ." 69 C.J.S., Patents, Sec. 5.

> "Patent is a contract by which the government secures to the patentee the exclusive right to vend and use his invention for a few years, in consideration of the fact that he has perfected and described it and has granted its use to the public forever after. The general rules for the interpretation of grants and contracts govern its construction. . . ." *National Hollow Brake-Beam Co.* v. *Interchangeable Brake-Beam Co.*, 106 Fed. 693 (8th Cir. 1901).

As pointed out by the Supreme Court of the United States in *Topliff* v. *Topliff*, 1892, 145 U.S. 156, 12 S.Ct. 825, 36 L.Ed. 658, the terms of those contractual documents which [fol. 94] constitute a patent make it one of the most difficult of all legal instruments to draw with accuracy. In speaking of the matter in that case the Supreme Court of the United States said, at 145 U.S., p. 171:

> ". . . The specification and claims of a patent, particularly if the invention be at all complicated, con-

stitute one of the most difficult legal instruments to draw with accuracy, and in view of the fact that valuable inventions are often placed in the hands of inexperienced persons to prepare such specifications and claims, it is no matter of surprise that the latter frequently fail to describe with requisite certainty the exact invention of the patentee, and err either in claiming that which the patentee had not in fact invented, or in omitting some element which was a valuable or essential part of his actual invention. . . ."

It is thus apparent that the preparation of applications for patents, and amendments thereto, involves the preparation of the terms of an involved contract and proof of the right to have same issued by the government, requiring legal knowledge and skill far in excess of that possessed by the layman. The preparation of such documents is unquestionably the practice of law and the fact that the preparation and procedures are not done in a court but rather before an administrative agency does not change the character of the acts from legal to non-legal.

Not only is the basic question of patentability controlled by law and court decisions but equally important is the fact that interpretations of the rights protected in a patent are made by the courts. Therefore in drafting and preparing the application and amendments he who prepares the documents must have a clear knowledge of the effect of the existing law on the questions involved, else valuable rights of the inventor may be forfeited.

It is also important to note that the application for a patent, the "actions" or objections thereto issued by the [fol. 95] examiner in the Patent Office, the "amendments" or answers filed to the "actions" by the applicant, and the final allowance or rejection by the examiner constitute the basis and subject matter of any appeal to a Board of Appeals of the Patent Office, and thereafter to the Court of Customs and Patent Appeals or to a federal district court, in the same manner that the record made in a trial court is the subject of review by an appellate court. In such a review of a decision of the Patent Office on a patent

application the review is limited to the matters presented in the application and amendments thereto, and if these documents do not adequately reflect and present the applicant's rights, as required by law and the decisions of the courts, valuable legal rights, which if properly presented to the Patent Office might be saved on review, will be lost.

All that is done in the proceedings before the Patent Office must therefore be done with the view that what is done will or may ultimately be interpreted as to meaning and measured as to sufficiency by a court or courts.

All of these considerations buttress our conclusion that the preparation of patent applications and amendments thereto by the respondent for others in a representative capacity does constitute the practice of law. This statement would also apply to the preparation of licensing agreements and other contracts involving patent rights and interests therein.

The remaining question then is whether the respondent, by virtue of his admission to practice before the Patent Office as a Patent Attorney, has the right to do these things in this state without being admitted to The Florida Bar.

We think this question was answered in the negative in the *Kearney* case, 63 So.2d 630, supra. As above noted, in that case we held that anyone who holds himself out to the practice "in any field or phase of law" must be a member of The Florida Bar.

[fol. 96] In other jurisdictions there seems to be a lack of accord on the question as it relates to practice before other administrative agencies of the federal government.

Respondent points out that in *Chicago Bar Association* v. *Kellogg*, 88 N.E.2d 519, supra, the appellate court in reversing the trial court on that issue refused to enjoin the patent attorney from preparing and prosecuting applications for patents, although it did enjoin him from preparing, drafting and construing "legal documents, contracts, including patent licenses and deeds, assignments and other evidences of transfer of title to or interests in patent and other property." 88 N.E.2d at p. 527. The court did not explain why it refused to enjoin the preparation of applications for patents and amendments thereto.

It did not state that it would not enjoin those acts because the respondent there was licensed by the Patent Office. On the contrary the court in its opinion, at 88 N.E.2d, p. 526, stated that:

"... The issue before us is not what things defendant may do under the authority he claims from his license to appear before the United States Patent Office, but what things, if any, he has done in violation of the laws of the State of Illinois...."

Just prior to making the above statement the court also said, at 88 N.E.2d, p. 526:

"... The courts of the State of Illinois, and not the United States Patent Office, may determine what constitutes the illegal practice of law in this State...."

It does not appear from the opinion that the court was asked to enjoin the preparation of application for patents and amendments thereto and this may be the reason why the court did not do so. No other reason is indicated in the opinion.

We do not think the opinion in that case supports this respondent's contention that the license to practice before [fol. 97] the Patent Office gives him the right to practice as a patent attorney in this state.

Respondent also cites the cases of *De Pass* v. *B. Harris Wool Co.*, 1940, 346 Mo. 1038, 144 S.W.2d 146, *Auerbacher* v. *Wood*, 1947, 139 N.J.E. 599, 53 A.2d 800; *In re Lyon*, 1938, 301 Mass. 30, 16 N.E.2d 74; and *Noble* v. *Hunt*, 1957, 95 Ga. 804, 99 S.E.2d 345. Each of these cases in some way supports the view that where a federal court or agency permits a layman to practice before it, a state may not prevent a layman who is licensed to practice before that court or board from such practice in the state even though such actions constitute the practice of law and practice of law by a layman is contrary to the policy of the state.

While we agree that each of the federal courts and each of those federal agencies which are authorized by Congress to do so may determine who shall be permitted to practice

before them, we do not agree that such authority in any way gives those bodies the authority also to determine that those licensed by it have the right to practice law, in the particular field involved, within the borders of this state.

It may well be that this state may not prohibit any person from appearing and practicing law before a federal court or agency in this state, if he be licensed by the federal court or agency, even though such person not be a member of the Bar of this state. But appearing before such bodies is an entirely different thing from a person holding himself out in this state as qualified to practice law before such federal bodies, maintaining an office in this state for that practice, and doing in this state the many things that are necessary to be done preparatory to the actual appearance before such bodies.

For example, if a United States Court of Appeals conducts sessions in this state attorneys from other states, not licensed to practice in this state, could not be prohibited from arguing before that court in this state, but they would not be permitted to establish an office and hold themselves out in this state as qualified to practice [fol. 98] before the federal court unless they were first admitted to the Bar of this state. The *Kearney* case, 63 So.2d 630, supra, settled this point directly.

If we were to hold otherwise any person licensed to practice before the United States Supreme Court or any other federal court could establish an office and hold himself out in this state as being qualified to represent Florida citizens before those courts without this state having any control over their right to so hold themselves out, or any control over their actions.

As a further example, if the federal district courts in this state were to license non-lawyers to practice before them, these non-lawyers, under the rule contended for by respondent, would have the right to establish an office in this state and to hold themselves out to the citizens of this state as qualified to practice law before such courts and this state would be powerless to protect its citizens in the matter.

Fortunately no such dispute has yet arisen between the states and the federal courts and it is hoped that it never will. Generally speaking the federal courts permit only duly admitted lawyers to practice before them and the matter of determining whether persons shall be admitted to the Bar has been left to the states. It appears that it is only in the federal quasi-judicial and administrative agencies, such as the Patent Office, that the non-lawyer is licensed to practice.

As above stated, we have no argument with the power of such agencies to determine who shall practice before them, but we do not agree that their licensing of a non-lawyer is in anywise to be taken as proof that the work done before them is not the practice of law or that one licensed by them has the right by virtue of said license to hold himself out as qualified to do those things in this state.

It is generally held that a state acting under its police power has the right to define the practice of law and to [fol. 99] determine who is qualified to practice within its borders. *Chicago Bar Association* v. *Kellogg*, 88 N.E.2d 519, supra; *Petition of Florida State Bar Association*, 186 So. 280, 285, supra; *Clark* v. *Austin*, 1937, 340 Mo. 467, 101 S.W.2d 977; *Richmond Association of Credit Men, Inc.* v. *Bar Association of City of Richmond*, 1937, 167 Va. 327, 189 S.E. 153.

We know of no provision in the Federal Constitution, or statutes for that matter, that gives to any federal body the power to determine who may practice law in the several states, or to define the practice of law within the states, and the respondent has cited us none. We do not think that the power to determine who may practice before it gives any such body the implied power to make either determination for this state.

We therefore hold that the license to practice before the Patent Office held by respondent does not give him the right to do in this state those things above listed.

The reason for prohibiting the practice of law by those who have not been examined and found qualified to practice is frequently misunderstood. It is not done to aid or pro-

tect the members of the legal profession either in creating or maintaining a monopoly or closed shop. It is done to protect the public from being advised and represented in legal matters by unqualified persons over whom the judicial department can exercise little, if any, control in the matter of infractions of the code of conduct which, in the public interest, lawyers are bound to observe.

It cannot be denied that the public suffers, as does both the public image of the legal profession and our judicial system, when those not qualified to do so are permitted to hold themselves out as qualified to practice law and as worthy of the trust and confidence of those who have legal problems the solution of which require trained advice and counsel.

If the truth be known the unauthorized practice of law by those not qualified and admitted actually creates work for the legal profession because of the errors and mistakes [fol. 100] of those who for others illegally perform legal work they are not competent to perform. In this the members of the legal profession gain, but the unfortunate members of the public who were ill-advised lose, in some instances quite badly.

It is the effort to reduce this loss by the members of the public that primarily justifies the control of admissions to the practice of law, discipline of those who are admitted, and the prohibition of the practice to those who have not proved their qualifications and been admitted. As incidents of this system the administration of justice is aided and the public image of the legal profession is enhanced.

Here it should be said that no one who evidences the reasonable standards of education, training, experience, good morals and character required by the rules of this Court and who can pass the bar examination, which is given twice yearly, is denied the privilege of practicing law in this state. There is no quota or limit to the number who may be admitted.

In fairness to the respondent in this cause we make clear that nothing we have said in this opinion is intended to indicate that he is not in fact competent to perform those services which he has rendered or that the affairs of any citizen of this state have suffered at his hands.

It may be that he is fully competent to practice law, that he has the educational and other qualifications required of an applicant for admission to the Bar of this state, and that he is well able to pass the bar examination, but until he has done so we have no way of assuring the public that he is qualified to practice law in this state.

Respondent argues that if we grant the injunction prayed for by the Bar we would deprive him of the ability to earn a living and deprive him of property without due process of law contrary to the guarantees of the Florida and United States Constitutions.

The issuance of an injunction by this Court will deprive respondent of the right to earn a living in the practice of [fol. 101] law in this state, but it will take nothing from him to which he has any right, for he does not now have the right to practice law in Florida. Nor will it in any way affect his right to practice before the Patent Office in Washington, D.C.

The right to practice law is not a privilege or immunity of a citizen of the United States within the meaning of the Fourteenth Amendment to the Constitution of the United States. *West Virginia State Bar* v. *Earley*, 109 S.E.2d 420, supra, *Ginsburg* v. *Kovrak*, 1958, 392 Pa. 143, 139 A.2d 889, appeal dismissed 358 U.S. 52, 79 S.Ct. 95, 3 L.Ed.2d 46. See also *Petition of Florida State Bar Association*, 186 So. 280, supra.

Our conclusion, then, is that the respondent, until and unless he becomes a member of the Bar of this state, should be and is permanently enjoined from the following activities in this state:

1. using the term "patent attorney" or holding himself out to be an attorney at law in this state in any field or phase of the law (we recognize that the respondent according to the record before us has already voluntarily ceased the use of the word "attorney");

2. rendering legal opinions, including opinions as to patentability or infringement on patent rights;

3. preparing, drafting and construing legal documents;

4. holding himself out, in this state, as qualified to prepare and prosecute applications for letters patent, and amendments thereto;

5. preparation and prosecution of applications for letters patent, and amendments thereto, in this state; and

6. otherwise engaging in the practice of law.

This injunction cannot and shall not in anywise be construed to affect any rights which the respondent has to practice before the Patent Office when done outside this state.

[fol. 102] It appearing to us that the respondent has cooperated in seeking a determination of his right to do the things charged against him and has not willfully violated any order or rule of this Court which clearly settled the issues involved here, we do not feel that we should now hold him in contempt of this Court. We have no reason to believe that he will not obey the injunction contained herein. If he does, then an order in contempt will be appropriate.

It is so ordered.

Roberts, C.J., Thomas, Drew and Thornal, JJ., concur.

[fol. 106]

IN THE SUPREME COURT OF THE STATE OF FLORIDA

[Title omitted]

PETITION FOR REHEARING

To the Honorable Justices of the Supreme Court of the State of Florida:

Comes Now the Respondent, Alexander T. Sperry, by and through his undersigned attorneys, and pursuant to Rule 3.14, Florida Appellate Rules, files this his Petition for Rehearing respectfully requesting this Honorable Court to reconsider its opinion and decision filed herein on April 4, 1962, enjoining the Respondent from certain activities enumerated therein, including the holding of himself out in this State as qualified to prepare and prosecute applications for letters patent, and the preparation and prosecution of applications for letters patent and amendments thereto before the United States Patent Office. As grounds for rehearing, he respectfully suggests the following:

1. At pages 6 and 7 of its opinion, the Court refers to certain decisions of the Court of Common Pleas of Ohio in the cases of *Battelle Memorial Institute* v. *Green*, 84 O.L.A. 353, 173 N.E.2d 201 (1961), and *In re Battelle Memorial Institute*, 170 N.E.2d 774, 172 N.E.2d 917 (1960). The Court states that it has "found the reasoning expressed therein to be helpful to a fuller understanding of the problem under discussion." On February 13, 1962, the Ohio Court of Appeals reversed the decisions in these cases and set aside the judgments of the Common Pleas Courts. That decision has not yet been reported in the West System, [fol. 107] but it is reported in 133 U.S.P.Q. at page 49. For the convenience of the Court, a copy of the opinion as it appears in 133 U.S.P.Q. 49, is attached hereto as Exhibit "A" to this Petition for Rehearing.

2. In holding that this Court has the absolute power to enjoin the Respondent from practicing before the United States Patent Office insofar as his activities are geographically sited in this state, the Court has overlooked the fact

that persons who are admitted to practice law in Florida are not thereby qualified or authorized to practice in patent matters before the United States Patent Office. This Court has therefore exercised control over that which it did not have the power to authorize in the first instance. Under Article 1, § 8, Clause 8, of the United States Constitution, matters relating to practice before the Patent Office are delegated to Congress. Congress has authorized the Commissioner of Patents to determine who is authorized to practice before the Patent Office. The control of practice before the United States Patent Office is a superior right vested exclusively by the Constitution and acts of Congress in the Commissioner of Patents; and Article VI, Clause 2, of the United States Constitution precludes any state from interfering therewith. A contrary result would enable the courts of the fifty states to nullify the acts of Congress and the Commissioner pursuant to Article I, § 8 of the Constitution.

3. In referring to Respondent's holding himself out as a "Patent Attorney", the Court overlooked the fact that since the Respondent was admitted to practice before the Patent Office in 1928, under its rules he is required to utilize the designation "Patent Attorney" rather than the designation "Patent Agent" which is available for those non-lawyers admitted to practice before the Patent Office after November 19, 1938.

4. To the extent that the Court implies that the Respondent has construed patent licenses or contracts or has done anything in the nature of the general practice of law in this [fol. 108] State, the Court has overlooked the fact that the Respondent has attempted to restrict himself exclusively to the representation of patent matters before the United States Patent Office and has not otherwise engaged in anything that could be considered the practice of law.

5. At pages 14 and 15 of this Court's opinion, it recognizes that it cannot prohibit out of state practitioners from appearing before federal courts or agencies in this state. The Court then distinguishes such appearance from an individual holding himself out in this state as qualified to practice before a federal court or agency. It is respectfully

submitted that there is no distinction between the two activities in as much as both constitute the practice of law. That is to say, if it is the practice of law in Florida to have an office in Tampa for the procurement of patent applications to go to the United States Patent Office in Washington, D. C., it is equally the practice of law in this state for an out of state lawyer not admitted to practice in this state to appear before a federal court in this state or to represent clients before an agency in this state. Indeed, appearance before a court or examiner is more clearly the practice of law than prosecution of patent applications.

6. In holding that this Court's injunction "will take nothing from him to which he has any right", at page 18 of its opinion, the Court overlooked the fact that it is depriving the Respondent of his right to appear before the United States Patent Office while a resident of the State of Florida. This right is in no way dependent upon him being admitted to practice law in the State of Florida; and this Court, in enjoining the Respondent from prosecuting applications to the United States Patent Office while geographically sited in the State of Florida, is infringing on his privileges and immunities as a citizen of these United States and is taking from him without due process of law his right to practice before the United States Patent Office [fol. 109] as recognized by the Commissioner of Patents. The cases cited at page 18 of this Court's opinion are not in point because they did not involve the impairment of rights derived exclusively from the Federal Constitution, statutes, and rules promulgated pursuant thereto by the courts of the states.

7. The Court's decision and opinion appears to establish for the first time in this state a rule that even though his activities are related to and coincide with other proper activities, no person can in any way participate in any activity which might include the rendering of legal advice or the preparation of legal documents without being a member of the Florida Bar. See 3 Fla. Jur., Attorneys at Law, § 7 (1955), and cases cited therein.

Wherefore, Respondent prays that rehearing be granted and that thereupon the opinion and decision of April 4,

1962, be withdrawn and the Respondent be granted leave to prepare and prosecute applications for letters patent and amendments thereto before the United States Patent Office.

Harry Kemker, Marvin E. Barkin, 1002 Citizens Building, Tampa 2, Florida.

By Marvin E. Barkin, Attorneys for Respondent.

Certificate of Service (omitted in printing).

[fol. 110]

EXHIBIT "A" TO PETITION FOR REHEARING

IN THE COURT OF APPEALS OF FRANKLIN COUNTY, OHIO

No. 6704

Battelle Memorial Institute,

Plaintiff-Appellant,

v.

Merritt W. Green, et al.,

Defendants-Appellees.

No. 6705

In the Matter of the Unauthorized Practice of Law in Franklin County,

In re: Battelle Memorial Institute,

Respondent-Appellant.

OPINION

Rendered on February 13, 1962

RUTHERFORD, J., of the Fifth Appellate District, sitting by designation.

Two separate appeals have been combined for hearing, we will consider both in this opinion.

The first is an appeal on questions of law from a judgment in case No. 197,718 in the Common Pleas Court of Franklin County, Ohio, and is here on appeal as case No. 6704. This case was brought by Battelle Memorial Institute v. Merritt W. Green and thirty other persons, being the duly appointed, authorized and acting members of the Unauthorized Practice of Law Committee of the Ohio State Bar Association and as representatives of Ohio lawyers so numerous that it is impractical to bring them all before the court. In this action Battelle Memorial Institute sought a declaratory judgment declaring that services performed by Battelle through members of its patent section do not constitute the unauthorized practice of law.

[fol. 110a] The second appeal is also on question of law, being from a judgment in case No. 196,819 in the Common Pleas Court of Franklin County, Ohio, and is here on appeal as case No. 6705. This case, which is captioned "In the Matter of the Unauthorized Practice of Law in Franklin County, Ohio; In re: Battelle Memorial Institute," was commenced upon application to the Court of Common Pleas of Franklin County, by a committee appointed by said court with instructions to make an inquiry and investigation as to whether persons, firms or corporations are engaged in the unauthorized practice of law in Franklin County.

The charge, as contained in the application, is that Battelle Memorial Institute, although not qualified to practice law and not admitted to the practice of law in Ohio, is nevertheless, engaged in the practice of law in Ohio; wherefore, it was prayed that the court issue an order restraining and enjoining said Battelle Memorial Institute from engaging in the practice of law.

In each case the opinion, as rendered by the Common Pleas Court, has been published. One opinion appears in 84 Ohio Law Abs., 161, and the other in 84 Ohio Law Abs., 353. Pertinent facts, as set forth by the Common Pleas Court, and as disclosed by the evidence, concerning the organization of Battelle are:

Battelle is a nonprofit corporation, organized to conduct scientific research for itself, for the United States Government, and for clients engaged in private industry, called "Sponsors." The complaint of unauthorized practice of law is limited to acts performed in connection with such "Sponsors," and solely to acts relating to patents.

Battelle has a staff of some 2,300 employees, about 1,200 of whom are scientists. It has some fifty divisions divided into seven departments. Its total business in 1959 was about $23,000,000.

[fol. 110b] The legal department of Battelle consists of seven members. Five members of this department are licensed to practice law in Ohio, and one is a lawyer admitted to practice in Colorado.

The legal department contains a patent section which specializes in the field of inventions and patents. Four men devote all their time to patent matters, and two devote about half of their time. Four members of the legal department (all attorneys) are registered in the U. S. Patent Office under the firm name of Gray, Mase and Dunson.

Because of the possibility that research of any kind might, and often does, include the possibility of a new invention and the obtaining of a new patent, every employee of Battelle, before being hired, is required to sign an agreement which obligates the employee to assign any and all inventions made by such employee to Battelle.

Every agreement with an industrial sponsor refers to Battelle's agreement with its employees, which requires them to assign their inventions to Battelle, and includes (in the agreement with such sponsor) a provision that if an invention is made during the course of the research on sponsor's project Battelle will notify the sponsor of this fact and permit the sponsor, at its election, to have such application and all rights to the invention assigned by Battelle to such sponsor. If the sponsor does not elect to exercise its option, Battelle remains the owner of the invention (after

assignment by the inventor) and would normally complete the patent. The patent section files and processes the application for a patent until such time as a sponsor elects to take an assignment thereof. In such event, the sponsor has the option of permitting Battelle to continue until the patent is obtained and actually assigned to the sponsor or of further processing the application with counsel of its own choosing.

The members of the legal department of Battelle are paid salaries by Battelle. By agreement with each sponsor, the expense of each project is paid by the sponsor. The time spent by each staff member of Battelle on each project, including scientists and members of the patent section, is kept and charged to the sponsor at a rate based upon the salary being paid to the persons performing the services.

The only tribunal in which members of the patent section work is the U. S. Patent Office. They appear in no courts of law, nor do they participate in any court proceedings.

[fol. 110c] The Common Pleas Court, in the declaratory judgment action, first found that a justiciable controversy did exist and then rendered judgment declaring as follows:

"(1) When salaried members of the legal department of patent sections of Battelle, who are employed to perform recognized legal services for Battelle in connection with applications for, or work in connection with, the obtaining of patents or inventions, cease to perform such legal services exclusively for Battelle and perform them for industrial sponsors of Battelle, this constitutes an unauthorized practice of the law.

(2) When salaried members of the Legal Department or Patent Section of Battelle perform legal services in connection with an application for, or work in connection with, the obtaining of a patent or invention after an industrial sponsor of Battelle has requested an assignment of any such patent or invention under the terms of the sponsor-Battelle contract, whether by execution of a formal written election or by any other

form of expressing its intent to acquire such patent or invention, they are no longer performing such legal services exclusively for Battelle but are in fact performing such legal services for such industrial sponsor, which constitutes an unauthorized practice of the law.

(3) From the evidence adduced at the hearing of this cause, the Court finds that certain of the salaried members of the Legal Department or Patent Section of Battelle have performed legal services in connection with applications for, or work in connection with the obtaining of patents or inventions after an industrial sponsor of Battelle has expressed its intent to seek an assignment of such patents and inventions under the terms of the sponsor-Battelle Contract, and that such legal services are for the industrial sponsors and constitute the unauthorized practice of law.

(4) The power to determine what persons may practice in the U. S. Patent Office is exclusively a power vested in Congress.

(5) A person is performing legal work when he performs such services as the drafting of contracts, applications for letters patent, amendments to applications for letters patent, affidavits and assignments, when he renders opinions as to the patentability, validity, infringement and interference in relation to inventions and patents, when he negotiates and drafts license agreements, and when he gives advice as to the rights and duties of persons and corporations and the fact that such services may be related to patents and inventions does not change the character of such services from legal services to non-legal services.

[fol. 110d] (6) The power to license persons to practice law is one of the police powers of each state.

(7) The power to admit a person to the practice of law is a judicial power and not a legislative power.

(8) The power to regulate, control and define the practice of law rests inherently in the judicial branch of the government.

(9) No agency of the federal government can dictate, define or limit the practice of law in Ohio.

(10) It is incorrect to say that all work performed in connection with the obtaining of a patent or invention is necessarily non-legal, or is necessarily not the practice law, simply because it is done under the rules and requirements of an administrative agency such as the Patent Office.

(11) The work done before an administrative agency may or may not constitute the practice of law, but if it does constitute the practice of law, and is done in Ohio, it must be done by persons who are duly licensed to practice law in Ohio.

(12) The State of Ohio has the right to say what constitutes the practice of law in Ohio, to prescribe the qualifications of those who may be allowed to practice law in Ohio, and to issue licenses to practice law in Ohio to those it finds are so qualified.

(13) The fact that under the rules of the Patent Office non-lawyers may be admitted to practice before such office does not in any way affect the determination by an Ohio court as to whether the performance of certain acts in the patenting of inventions constitutes the practice of law."

In the unauthorized practice of law action the Common Pleas Court made similar holdings to those declared in the declaratory judgment action and then rendered judgment permanently enjoining Battelle Memorial Institute, acting through its officers, agents, and/or employees from further engaging in the unauthorized practice of law as hereinbefore set forth, for industrial sponsors of Battelle.

Battelle Memorial Institute has appealed from the judgments upon questions of law in each case.

[fol. 110e] Several errors were assigned, a principal one in each case being that the trial court erred in failing to hold that the federal government has exclusive power and control over admissions to practice in the U. S. Patent Office, so as to preclude any state from interfering therein.

Cross assignments of error were filed in case No. 6704 on the ground that the trial court erred in overruling defendants' motion for a judgment of dismissal in the declaratory judgment action, at the conclusion of the evidence by refusing to conclude that there was no controversy ripe for decision, that there did not exist a justiciable issue, that the controversy therein could not be terminated, and that the petition and the evidence did not establish a cause of action.

The Constitution of the United States provides:

> Article I, Sec. 1. "All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives."
>
> Sec. 8. "The Congress shall have the power to . . . promote the Progress of Science and Useful Arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries . . ."
>
> Article VI. "This Constitution and the Laws of the United States which shall be made in pursuance thereof, . . . shall be the supreme Law of the Land; and the judges in every State shall be bound thereby, anything in the Constitution or Laws of any State to the contrary notwithstanding."
>
> Amendment X. "The powers not delegated to the United States by the Constitution, nor prohibited by it to the states, are reserved to the states respectively, or the people."

Under the power specifically delegated to Congress by Article I, Sec. 8 of the United States Constitution, Congress enacted the provisions of Title 35 U.S.C.A. Sec. 31 and Sec. 32 in regard to Practice before the Patent Office.

> [fol. 110f] Title 35, Sec. 31. "The Commissioner, subject to the approval of the Secretary of Commerce, may prescribe regulations governing the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the

Patent Office, and may require them before being recognized as representatives of applicants or other persons, to show that they are of good moral character and reputation and are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office."

Title 35, Sec. 32. "The Commissioner may, after notice and opportunity for a hearing, suspend or exclude, either generally or in any particular case, from further practice before the Patent Office, any person, agent, or attorney shown to be incompetent or disreputable, or guilty of gross misconduct, or who does not comply with the regulations established under section 31 of this title, or who shall by word, circular, letter or advertising, with intent to defraud in any manner, deceive, mislead, or threaten any applicant or prospective business before the Office. The reasons for any such suspension or exclusion shall be duly recorded. The United States District Court for the District of Columbia, under such conditions and upon such proceedings as it by its rules determines, may review the action of the Commissioner upon the petition of the person so refused recognition or so suspended or excluded."

Title 35, Sec. 33. "Whoever, not being recognized to practice before the Patent Office, holds himself out or permits himself to be held out as so recognized, or as being qualified to prepare or prosecute applications for patent, shall be fined not more than $1,000 for each offense."

Title 35, Sec. 152. "Patents may be granted to the assignee of the inventor of record in the Patent Office, upon the application made and the specification sworn to by the inventor, except as otherwise provided in this title."

Under authorization from Congress the Commissioner of Patents has enacted rules governing practice before the Patent Office.

Rule 31. "Applicants may be represented by an attorney or agent. An applicant for patent may file and prosecute his own case, or he may be represented by an attorney or agent authorized to practice before the Patent Office in patent cases. . . ."

Rule 32. "Prosecution by assignee. The assignee of record of the entire interest in an application for patent is entitled to conduct the prosecution of the application to the exclusion of the inventor."

[fol. 110g] Rule 341 (c) "Requirements for registration. No person will be admitted to practice and registered (sic) unless he shall apply to the Commissioner of Patents in writing on a prescribed form supplied by the Commissioner and furnish all requested information and material; and shall establish to the satisfaction of the Commissioner that he is of good moral character and of good repute and possessed of the legal and scientific and technical qualifications necessary to enable him to render applicants for patents valuable service, and is otherwise competent to advise and assist them in the presentation and prosecution of their applications before the Patent Office. In order that the Commissioner may determine whether a person seeking to have his name placed upon either of the registers has the qualifications specified, satisfactory proof of good moral character and repute, and of sufficient basic training in scientific and technical matters must be submitted and an examination which is held from time to time must be taken and passed. The taking of an examination may be waived in the case of any person who has actively served for four years in the examining corps of the Patent Office."

Rule 348. "Suspension or disbarment proceedings. Except as otherwise provided, proceedings for suspension, disbarment, or exclusion from practice are before a Commissioner.

(a) Investigating and prosecuting officer. The duties of investigation, preparing charges, collecting and presenting testimony, and presenting a case for suspen-

sion, exclusion from practice or disbarment shall be performed by the Solicitor of the Patent Office or, at his direction, by a designated law examiner or other person, and neither the Solicitor nor such law examiner or other person shall participate in any manner in the decision of the case. If, upon investigation of a complaint or other information concerning an attorney or agent, it shall appear to the Solicitor that the grounds for suspension, exclusion from practice, or disbarment exist, he shall prepare and forward the necessary notice and statement."

The requirements for admission to practice before the United States Patent Office make it clear that skill in engineering and scientific matters and familiarity with patent procedures are as necessary as skill in legal matters, and persons who are not attorneys may qualify for admission as agents.

Normally, the practice of law is controlled exclusively by the judiciary. The reason why lawyers are officers of the court, and therefore subject to the control of the court is that they are admitted by order of the court. However, [fol. 110h] persons admitted to the practice of law by the Ohio courts are not thereby qualified or authorized to practice in patent matters before the U. S. Patent Office. This power has been reserved by the United States Constitution to Congress, and in turn by Congress it has been granted only to the Commissioner of Patents. This leaves the Ohio courts in the position of being unable to exercise control over that which they do not have the power to authorize in the first instance.

The case of The Land Title Abstract and Trust Co. v. Dworken, 129 Ohio St., 23, and other cases dealing with practice of law, as distinguished from practice before the United States Patent Office, are not relevant, not being cases in which a superior right has been retained in the federal government by the United States Constitution.

Were the courts of each state to control practice before the United States Patent Office, thus usurping a right to control that which they cannot authorize in the first instance, by considering it to constitute the practice of law

within their state; then the courts of the 50 states, by ignoring the provisions of Article VI of the United States Constitution, supra, could render the provisions of Congress in regard to practice before the Patent Office as enacted under the provisions of Article I, Section 8, of the United States Constitution, supra, a nullity.

It is our finding that the Commissioner of Patents, from the standpoint of unauthorized practice, has the exclusive right to determine whether the patent matters, in which Battelle participates through attorneys or agents employed by Battelle, are matters which constitute the business of Battelle due to a direct or primary interest of Battelle therein, or of Battelle by virtue of rights as an assignee as provided for under Title 35, Section 152, or Rule 32, supra, and whether Battelle is engaged in unauthorized practice [fol. 110] before the Patent Office.

For the reasons set forth, we conclude that control of practice before the U. S. Patent Office is a superior right vested exclusively by the United States Constitution and by acts of Congress in the Commissioner of Patents, subject to appeal to the federal courts, and the state courts, by virtue of Article VI of the United States Constitution, are bound thereby and preclude from interfering.

There is, however, a distinction to be made between the right of the federal government to control practice in patent matters and the right of a state to control acts of a corporation, incorporated under the laws of the state. The power to authorize persons to incorporate has not been delegated to the United States by the Constitution, nor prohibited by it to the states. Therefore, under the provisions of Amendment X of the United States Constitution, the right to provide for incorporation, and to determine what acts corporations shall be authorized to perform, is reserved to the states respectively. The state legislature, under authority as granted by their respective state constitutions, have the power to determine, by general laws, for what purposes corporations may be formed. The states could prohibit incorporation entirely within their respective limits should they see fit to do so.

Battelle Memorial Institute was incorporated in 1925, under the provisions of Section 10092-1, General Ohio (sic),

as a charitable trust not for profit as provided for in the Will of Gordon Battelle, deceased. At the time of incorporation in 1925, Section 8623, of the General Code, was in effect and provided:

> "Except for carrying on professional business, a corporation may be formed for any purpose for which natural persons lawfully may associate themselves."

[fol. 110j] A similar provision is contained today in Section 1701.03, of the Revised Code, which provides:

> "A corporation may be formed for any purpose or purposes, other than for carrying on the practice of any profession, for which natural persons lawfully may associate themselves. . . ."

It thus appears that the Ohio legislature, which does have the right to enact general laws under which corporations may be formed (Ohio Constitution, Art. 8, Sec. 2), has, by statute, precluded persons from incorporating for the purpose of carrying on "professional business" or "the practice of any profession." We will not discuss Section 1785.02, Revised Code, since it has no application to the facts of the instant cases.

Section 1701.04, Revised Code, now repealed, referred to in Battelle Memorial Institute's petition, would not be applicable in the instant cases. Section 8623, General Code, and Section 1704.03, Revised Code, have application to all corporations, but Section 1704.04, Revised Code, when in effect, was applicable only to corporations for profit, and would not include Battelle Memorial Institute, a corporation not for profit.

After consideration of this entire matter, we come to the conclusion that there are two ways of questioning the practices of Battelle, the first being to question whether Battelle is engaged in unauthorized practice in patent matters, as to which the exclusive right of control is vested by the United States Constitution in Congress, and, in turn, by act of Congress in the United States Patent Office; and the second being to question whether the acts of Battelle are ultra vires acts which are prohibited under the Ohio

statutes governing corporations, which statutes the Ohio legislature has power to enact and the Ohio courts have jurisdiction to enforce.

If the practices of Battelle, carried on through its agents or attorneys, in matters as to which the right of control has been reserved by the United States Constitution and [fol. 110k] Congress in the Commissioner of Patents, are to be questioned as being unauthorized practice in patent matters, the proceedings must be brought not before the Ohio courts but in the manner provided for by the acts of Congress passed under authority of Section 8, Article I, of the United States Constitution and Rules of the Patent Commissioner, authorized by acts of Congress, as hereinbefore set forth. This power in the federal government is exclusive and a superior right granted by the United States Constitution to Congress and, in turn, by Congress to the Commissioner of Patents, and the judges in every state are bound thereby.

If the acts of Battelle are to be questioned as being practices which are prohibited to Battelle as a corporation, by virtue of the Ohio statutes governing incorporation, then the action must be brought—

(a) In quo warranto as provided for under the provisions of Section 2733.01 et seq., Revised Code, which action can be commenced only in the Court of Appeals or the Supreme Court of Ohio in the manner as provided by said Section.

(b) By a proceeding to enjoin Battelle, as a corporation, from ultra vires practices in an action commenced by persons authorized to practice as agents or attorneys before the United States Patent Office, who have a vested interest to protect.

In the case of Abstract and Trust Co. v. Dworken, 129 Ohio St., 23, the Supreme Court of Ohio, in paragraph seven of the syllabus, held:

> "The right to practice law conferred by the state is a special privilege in the nature of a franchise and a possessor thereof may be protected by injunction from invasion of the right thus vested in him."

Practices before the United States Patent Office would not be an invasion of a right vested in an attorney by virtue [fol. 110 l] of his franchise to practice law in Ohio, since such franchise to practice law in Ohio does not authorize practice before the United States Patent Office in patent matters; but from the logic of paragraph seven of the foregoing syllabus, it would follow that the right to practice as an attorney or agent before the United States Patent Office, as granted by the Patent Commissioner, under act of Congress, may confer a special privilege in the nature of a franchise, the possessor of which may seek protection by injunction from the invasion of the right thus vested in him; such action to be brought in a federal court if the invasion to be enjoined is unauthorized practice before the patent office, or in the state court of the state of incorporation, if the act is to be enjoined not as unauthorized practice but as the commission of an ultra vires act by a corporation.

We point out the foregoing not to state what can or should be done or to here determine in advance the validity of such proceedings, since to do so would be obiter dicta; but to point out that neither of the instant cases can be considered as quo warranto proceedings because neither was brought in compliance with the Ohio statutes governing such proceedings; also, to point out that if an injunction is sought in Ohio courts it must not be on the ground of unauthorized practice of law, as such, but on the ground that the acts of the corporation are ultra vires and prohibited, and that an injunction proceeding cannot be commenced by attorneys franchised to practice only in Ohio; but must be commenced by agents or attorneys authorized to practice before the United States Patent Office, who are vested with a franchise right which is being invaded. In neither of the cases before us was there an allegation or evidence that all or any one of the members of the unauthorized practice of law committee against whom the declaratory judgment action was filed, or by whom the ap- [fol. 110m] plication in the unauthorized practice of law action was filed, are franchised to practice as either agents or attorneys in matters before the United States Patent Office.

If an action is brought in Ohio, either by quo warranto proceedings, or by agents or attorneys authorized to practice before the United States Patent Office seeking injunctive relief, the first question will be, whether as to the acts performed, Battelle has a direct or primary interest so as to authorize the performance of the acts by Battelle on its own behalf, as distinguished from acts performed for others. If it is determined that Battelle does not have a direct or primary interest in the acts performed, then the ultimate question will be: Not whether Battelle is engaged in "unauthorized practice of law," but whether Battelle is engaged in "professional business" or the "practice of a profession" within the meaning of Section 8623, General Code and Section 1701.03, Revised Code.

Neither of the cases herein appealed can meet the requirements of a proceeding in quo warranto, or of a proceeding for injunction commenced by a party having a vested interest alleged to be invaded. Neither case was so treated in the Common Pleas Court and, therefore, in neither case did the Common Pleas Court make any determination of the ultimate issue in such cases, to wit: Whether the practice complained of was an ultra vires act prohibited to the corporation, within the terms of the Ohio corporation statutes. The cases were filed and considered not under the Ohio statutes governing corporations, but solely from the standpoint of unauthorized practice of law in patent matters as to which the superior right is vested in the United States by the United States Constitution, by the provisions of which the courts of Ohio are bound.

It is our conclusion and finding that in case No. 197,718 in [fol. 110n] the Common Pleas Court of Franklin County, being case No. 6704 in this court, there was not a proper justiciable issue between proper and necessary parties. It will be ordered that the judgment of the Common Pleas Court be set aside and held for naught, and that the petition of Battelle Memorial Institute, appellant herein, be dismissed at costs of Battelle Memorial Institute.

In case No. 196,819, in the Common Pleas Court of Franklin County, being case No. 6705 in this court, the Common Pleas Court did not have jurisdiction by means of the issue raised and the judgment rendered to interfere with the

superior right granted to Congress by the United States Constitution. The action was not a proper one brought by proper and necessary parties and the judgment of the Common Pleas Court is ordered set aside and held for naught, and the application is ordered dismissed at costs of the members of the unauthorized practice committee who filed it.

In case No. 6704, judgment of the Common Pleas Court is set aside and petition dismissed.

In case No. 6705, judgment of the Common Pleas Court is set aside and application dismissed.

McLAUGHLIN, P. J., of the Fifth Appellate District, sitting by designation, concurs.

HILDEBRANT, J., of the First Appellate District, sitting by designation, dissents.

[fol. 111]

IN THE SUPREME COURT OF THE STATE OF FLORIDA

[Title omitted]

MOTION TO STAY ISSUANCE OF MANDATE

Comes Now the Respondent, Alexander T. Sperry, by and through his undersigned attorneys, and moves this Court, if it should deny the Respondent's Petition for Rehearing filed this date, pursuant to Rule 3.15, Florida Appellate Rules, and 28 U.S.C. § 2101(f), jointly and severally, to stay the issuance of the mandate in this cause and the effectiveness of its injunctive order for ninety (90) days conditioned upon this Respondent filing a petition for writ of certiorari or an appeal to the Supreme Court of the United States within that period of time; and says as grounds therefore the following:

1. Respondent submits that this case involves important questions of the interpretation of the United States Constitution with regard to the power of a state to restrict the right of an individual to practice before the United States Patent Office because that individual is geographically a resident of the state involved.

2. Within the ninety (90) days available to him under 28 U.S.C. § 2101 the Respondent intends to apply to the Supreme Court of the United States via petition for certiorari or appeal for a review of this Court's decision and opinion filed April 4, 1962.

3. This Court's opinion affirmatively shows that this Court recognizes that the Respondent has cooperated in seeking a determination of his rights and has not wilfully violated any order or rule of court.

[fol. 112] 4. Respondent's original attorney of record, Harry Kemker, Esq., is on vacation and out of this country.

5. The issuance of this Court's mandate and the effectiveness of its injunctive order will completely conclude the Respondent's ability to earn a living while a resident of the State of Florida and will work undue hardship upon him.

6. Respondent has over fifty (50) cases pending before the United States Patent Office, most of them for residents of Florida. If this Court's order is made immediately effective, his clients will be put to undue hardship in instantly having to obtain other representation. This Court has recognized Respondent's qualifications and if it should determine that he should be restrained from representing clients before the United States Patent Office, it will require a reasonable period of time for those clients to obtain other representation by persons entitled to practice before the Patent Office and to represent residents in this state. Due concern for the welfare of Respondent's clients requires a reasonable transition period.

Wherefore, Respondent prays that this Court stay the issuance of the mandate and the effectiveness of its injunctive order of April 4, 1962, for ninety (90) days conditioned upon the Respondent filing a petition for writ of certiorari or an appeal to the Supreme Court of the United States within that time.

Harry Kemker, Marvin E. Barkin, 1002 Citizens Building, Tampa 2, Florida.

By Marvin E. Barkin, Attorneys for Respondent.

Certificate of Service (omitted in printing).

[fol. 113]

IN THE SUPREME COURT OF FLORIDA

January Term, A. D. 1962

[Title omitted]

ORDER DENYING PETITION FOR REHEARING—May 15, 1962

The respondent in the above entitled cause has filed a petition for a rehearing and reconsideration of the Court's opinion and decision in the cause filed April 4, 1962, and since the filing of said opinion and decision, the Court has stricken the paragraph beginning at the bottom of page 6 of the original opinion and of the opinion as mimeographed in this office, which paragraph extends to the top of page 7 of said opinion and copy thereof.

The petition for rehearing has been addressed to the opinion as above revised and is denied.

[fol. 114]

IN THE SUPREME COURT OF FLORIDA

January Term, A. D. 1962

Corrected Copy

Not Final Until Time Expires to File Rehearing Petition and, If Filed, Determined.

Case No. 31,411

STATE OF FLORIDA, ex rel., THE FLORIDA BAR, Petitioner,

vs.

ALEXANDER T. SPERRY, Respondent.

OPINION AS MODIFIED—Filed April 4, 1962

Original Jurisdiction—Complaint from The Florida Bar.

Sherwood Spencer, J. Lewis Hall, Donald J. Bradshaw, J. Nixon Daniel, Jr., and John H. Gunn, as and constituting

the Special Committee of the Board of Governors of The Florida Bar on Patent Attorneys, Unauthorized Practice of Law, for The Florida Bar, Petitioner.

Harry Kemker, for Respondent.

O'Connell, J.

In this cause The Florida Bar, by petition filed in this Court, seeks to invoke the original jurisdiction of this Court asking that we require the respondent to show cause why he should not be held in contempt of this Court for the unauthorized practice of law, and further that we enjoin respondent from further unauthorized practice of law in this state.

Basically the petition alleges that the respondent, Alexander T. Sperry, is engaged in the unauthorized practice of law, in violation of Section 2, Article 4, Integration Rule, The Florida Bar, 31 F.S.A., in that although he is not a member of The Florida Bar, hereinafter referred to as the Bar, he nevertheless holds himself out to the public as a patent attorney, maintains an office in Tampa, Florida [fol. 115] on the door of which appear the words "Patent Attorney", and is so listed in the telephone directory of the City of Tampa and on the directory in the lobby of the building in which his office is located. Further, the petition alleges that the respondent represents Florida clients before the United States Patent Office, hereinafter referred to as Patent Office; has rendered opinions as to patentability and opinions as to whether or not patent rights are being infringed and are the subject of a cause of action in the courts; has prepared various legal instruments, including contracts, applications and amendments to applications for letters patent, and filed same in the Patent Office in Washington, D.C.; and has prepared briefs and authorities with points of law relating thereto.

Respondent filed an answer to this petition in which he admitted that he was not a member of the Bar, and admitted all the other allegations thereof with the exceptions or qualifications which follow.

As to advising clients on infringement of existing patents, respondent stated he did so only on one occasion and that he did so as a part of his work in filing an application for a patent for a client. As to patent license agreements he alleged that he prepared such only in rough and never in finished form.

He denied that he had prepared any other contracts and denied that he had prepared briefs and authorities with points of law relating thereto.

In defense he also asserted, among other things, that he is duly admitted to practice before the Patent Office, having been admitted in 1928, and under the rules and regulations of that office he is authorized to use the nomenclature "Patent Attorney" even though he is not an attorney-at-law in any jurisdiction; the acts performed by him do not constitute the unauthorized practice of law; and that the injunctive relief prayed for would, if granted, deprive him of the ability to earn a living and deprive him of property without due process of law under the Constitution of [fol. 116] Florida and the Fifth and Fourteenth Amendments to the United States Constitution.

The matter has been submitted on the pleadings. The material facts being admitted there is no need for the taking of testimony.

While not raised by either party the first question which we feel necessary for decision is whether this matter is within the original jurisdiction of this Court.

In 1956 the electorate of this state adopted a revised Article V of our state constitution. Section 23 of this new article gives this Court "exclusive jurisdiction over the admission to the practice of law and the discipline of persons admitted."

Quite obviously this matter now before us does not involve either the admission of an applicant to the Bar or the discipline of one already admitted. The question then is whether the authority imposed in Section 23, Article V, also carries with it the power to prevent the practice of law by those who are not admitted to the practice. We think that it must and it does for if it does not the express power to control admissions would be meaningless.

This identical question was raised in a similar case in *West Virginia State Bar* v. *Earley*, W. Va. 1959, 109 S. E. 2d 420. We adopt as ours the words that court spoke in disposing of the question, at 109 S. E. 2d, p. 440, to-wit:

> ". . . It would indeed be an anomaly if the power of the courts to protect the public from the improper or unlawful practice of law were limited to licensed attorneys and did not extend or apply to incompetent and unqualified laymen and lay agencies. Such a limitation of the power of the courts would reduce the legal profession to an unskilled vocation, destroy the usefulness of licensed attorneys, as officers of the courts, and substantially impair and disrupt the orderly and effective administration of justice by the judicial department of the government; and this the law will [fol. 117] not recognize or permit."

The express power contained in our state constitution makes unnecessary any discussion of the inherent power of the courts to regulate the practice of law and those who engage in it. Were it necessary to do so there is abundant authority to support the view that the courts do have such power. *Petition of Florida State Bar Ass'n*, 1938, 134 Fla. 851, 186 So. 280; *Chicago Bar Ass'n* v. *Kellogg*, 1949, 338 Ill. App. 618, 88 N. E. 2d 519; *In re Baker*, 1951, 8 N. J. 321, 85 A. 2d 505; *West Virginia State Bar* v. *Earley*, 109 S. E. 2d 420, supra.

The next question then is whether this Court may enforce its authority in such matters by either or both contempt proceedings and injunction.

The unauthorized practice of law constitutes a contempt of court. *West Virginia State Bar* v. *Earley*, supra; *In re Baker*, supra. See also Cases Noted, 6 Miami Law Quarterly 606.

In *Hargett* v. *Lake*, Kent. App. 1957, 305 S. W. 2d 523, as in this case before us, a proceeding was brought originally in the appellate court seeking to have a person held in contempt and appropriately punished for practicing law without license or right. That court adjudged the person

involved to be in contempt and ruled that " . . . he is permanently enjoined from engaging in the practice of law."

Aside and apart from these decisions which support the view that a court may invoke contempt and injunctive powers to enforce its authority in such matters, this Court has constitutional authority for so doing.

Sec. 4(2), Art. V, Fla. Const., F.S.A. gives this Court the authority to "issue all writs necessary or proper to the complete exercise of its jurisdiction." Having held above that the authority to regulate the practice of law by those not admitted to the Bar is vested in this Court under the cited section of the constitution, it follows that the power to issue writs necessary to enforce its rules [fol. 118] and orders applies to matters affecting the practice of law as much as to any other rule or order within its jurisdiction to enter.

The next question for decision is whether or not the acts committed by the respondent constitute the practice of law in this state. If this is answered in the negative our work is at an end. However if we find such acts to amount to the practice of law then we must determine whether, respondent having been licensed to practice before it by the Patent Office, this state has the power to deny the respondent the right to so practice in this state.

This Court has not previously been called upon to decide whether the activities charged against the respondent, i.e. the work done by a patent attorney, constitute the practice of law if done in this state.

In *Petition of Kearney*, Fla. 1953, 63 So. 2d 630, 631, this Court said that:

> "It follows that those who hold themselves out to practice in *any field or phase of law* must be members of the Florida Bar, amenable to the rules and regulations of Florida Courts. . . ." (Emphasis added.)

The Bar here urges that the practice of patent law is certainly a field or phase of law within the purview of this Court's opinion in the *Kearney* case.

There are however differences between the *Kearney* case and this one which require that we not treat it as dispositive of this case.

The petitioner Kearney was duly admitted to practice before the Supreme Court and the Tax Court of the United States and before the Treasury Department of the United States. He was not a member of The Florida Bar. He sought permission to practice in Florida as "Federal Tax Counsel" with his court appearances to be limited to the [fol. 119] federal courts and the departments above mentioned. This Court, in proceedings originating before it as in this case, ruled that the permission to practice in this state in the manner contemplated was not governed exclusively by the rules of the United States courts and departments; rather, it held that such would constitute the practice of law in this state and Kearney in order to do so would have to become a member of The Florida Bar, subject to the jurisdiction of this Court. In its opinion this Court cited Sec. 2, Integration Rule, supra, stressing that said rule provides that no person shall engage in any way in the practice of law in this state unless he is an active member of The Florida Bar.

In the *Kearney* case this Court obviously started with the premise that the activities which Kearney wished to pursue in this state constituted the practice of law. This Court did not discuss the question other than to state that the American Bar Association and many states hold that practice before the Tax Court and the Treasury Department may constitute the practice of law, citing decisions in support of the statement.

But in this case we cannot start with the premise that the activities of the respondent constitute the practice of law for he puts this question squarely in issue.

While the *Kearney* case may well stand for the proposition that practice before the Tax Court and the Treasury Department "may constitute the practice of law which may be enjoined if attempted by one not admitted to practice" (63 So. 2d at p. 630) it cannot be said to hold that

practice before any or all other federal administrative agencies necessarily constitutes the practice of law.

[fol. 120] The Bar also cites the case of *Chicago Bar Association* v. *Kellogg*, 88 N. E. 2d 519, supra. In that case the court held that the person so charged, without prejudice to his right to advise and assist applicants for patents in the presentation and prosecution of their applications for patents before the United States Patent Office, should be enjoined from the following activities:

1. giving legal advice;

2. preparing, drafting and construing legal documents, contracts, including patent licenses and deeds, assignments and other evidences of transfer of title to or interests in patent and other property;

3. rendering legal opinions, including legal opinions relating to title to, and validity, infringement and enforcement of, patents and trademarks and rights therein and thereto;

4. preparing, drafting and filing pleadings and other legal documents and papers in suits at law and in equity, in courts of record and before administrative tribunals, other than the Patent Office;

5. participating, as an attorney, in legal proceedings;

6. in behalf of persons represented by him, threatening to bring suits against other parties;

7. preparing and serving notice of and asserting attorney's lien; and

8. charging and collecting fees for legal services rendered by him and rendered by him and others.

[fol. 121] Apparently the court was not asked to and did not enjoin the preparation of applications for letters patent and of amendments to such applications. However, it did enjoin the charging of fees for legal services, including those wherein the Patent Office had jurisdiction.

Respondent's argument is that the practice of "patent law" is not the "practice of law." In support thereof he cites several cases which, while not actually in point, do strongly indicate the subject court's opinion to be that such practice is not the practice of law. *Zenith Radio Corp.* v. *Radio Corp. of America*, 121 F.Supp. 792 (D. Del. 1954); Application of Platamura, 1960, 22 Conn.Sup. 213, 166 A. 2d 859; *Public Service Traffic Bureau, Inc.* v. *Haworth Marble Co.*, 1931, 40 O.A. 255, 178 N.E. 703.

While few cases in other jurisdictions can be found relating to the question whether practice before the Patent Office constitutes practice of law, numerous decisions concerning such question as related to other agencies, departments and commissions can be found. There is lack of uniformity therein as to whether such practice is the practice of law. See Annotation 111 A.L.R. 19 (1937), supplemented in 125 A.L.R. 1173 and 151 A.L.R. 781.

The Patent Office, in the sense pertinent here, is an administrative agency, not a court.

Yet it is not the nature of the agency or body before which the acts are done, or even whether they are done before a tribunal of any sort or in the private office of an individual, that determines whether that which is done constitutes the practice of law. The best test, it seems to us, is what is done, not where, for the safest measure is the character of the acts themselves. If they constitute the practice of law the fact that they are done in the private office of the one who performs them or before a non-judicial body in no way changes their character.

Many courts have attempted to set forth a broad definition of the practice of law. Being of the view that such is nigh onto impossible and may injuriously affect the rights [fol. 122] of others not here involved, we will not attempt to do so here. Rather we will do so only to the extent required to settle the issues of this case.

It is generally understood that the performance of services in representing another before the courts is the practice of law. But the practice of law also includes the giving

of legal advice and counsel to others as to their rights and obligations under the law and the preparation of legal instruments, including contracts, by which legal rights are either obtained, secured or given away, although such matters may not then or ever be the subject of proceedings in a court.

We think that in determining whether the giving of advice and counsel and the performance of services in legal matters for compensation constitute the practice of law it is safe to follow the rule that if the giving of such advice and performance of such services affect important rights of a person under the law, and if the reasonable protection of the rights and property of those advised and served requires that the persons giving such advice possess legal skill and a knowledge of the law greater than that possessed by the average citizen, then the giving of such advice and the performance of such services by one for another as a course of conduct constitute the practice of law.

We will use this measure in testing the acts of the respondent.

The first act to be performed by a person representing another who wishes to secure a patent on an alleged invention is to determine whether the device is patentable. As stated in *Marshall* v. *New Inventors Club, Inc.*, 117 N.E.2d 737, supra, at p. 739:

> "Not every alleged patent is patentable. Hence the rendering of an opinion as to patentability requires a knowledge of the patent statutes and of the decisions interpreting them. . . ."

A patent is undoubtedly a property right. It is difficult to see how any valid distinction can be made between [fol. 123] advising one as to whether he does or does not have a cause of action in a court involving his rights and advising one that he does or does not have a patentable device, under the laws and decisions applicable thereto, and the right to protect the invention by obtaining a patent.

The advising of persons as to their rights under the law universally has been held to be the practice of law. We

think that one who holds himself out to the public in this state as qualified to advise as to patentability and does so is engaging in the practice of law. The same is true of the act of advising as to infringement of patent rights. Both require extensive knowledge of the law, statute and case, in a field of the law that is as technical and involved as any known today.

A patent is variously described as a public franchise or as a contract. In all definitions it is apparent that:

> "A patent duly issued amounts to a contract between the inventor and the government, under which the public, through the government, agrees that, in consideration of the inventor's disclosure of his invention and the grant of the right to use it after his patent expires, he shall be protected in his exclusive use during the life of the patent, . . ." 69 C.J.S., Patents, Sec. 5.

> "Patent is a contract by which the government secures to the patentee the exclusive right to vend and use his invention for a few years, in consideration of the fact that he has perfected and described it and has granted its use to the public forever after. The general rules for the interpretation of grants and contracts govern its construction. . . ." *National Hollow Brake-Beam Co.* v. *Interchangeable Brake-Beam Co.*, 106 Fed. 693 (8th Cir. 1901).

As pointed out by the Supreme Court of the United States in *Topliff* v. *Topliff*, 1892, 145 U.S. 156, 12 S.Ct. 825, 36 L.Ed. 658, the terms of those contractual documents which [fol. 124] constitute a patent make it one of the most difficult of all legal instruments to draw with accuracy. In speaking of the matter in that case the Supreme Court of the United States said, at 145 U.S., p. 171:

> ". . . The specification and claims of a patent, particularly if the invention be at all complicated, constitute one of the most difficult legal instruments to

draw with accuracy, and in view of the fact that valuable inventions are often placed in the hands of inexperienced persons to prepare such specifications and claims, it is no matter of surprise that the latter frequently fail to describe with requisite certainty the exact invention of the patentee, and err either in claiming that which the patentee had not in fact invented, or in omitting some element which was a valuable or essential part of his actual invention. . . . "

It is thus apparent that the preparation of applications for patents, and amendments thereto, involves the preparation of the terms of an involved contract and proof of the right to have same issued by the government, requiring legal knowledge and skill far in excess of that possessed by the layman. The preparation of such documents is unquestionably the practice of law and the fact that the preparation and procedures are not done in a court but rather before an administrative agency does not change the character of the acts from legal to non-legal.

Not only is the basic question of patentability controlled by law and court decisions but equally important is the fact that interpretations of the rights protected in a patent are made by the courts. Therefore in drafting and preparing the application and amendments he who prepares the documents must have a clear knowledge of the effect of the existing law on the questions involved, else valuable rights of the inventor may be forfeited.

It is also important to note that the application for a patent, the "actions" or objections thereto issued by the [fol. 125] examiner in the Patent Office, the "amendments" or answers filed to the "actions" by the applicant, and the final allowance or rejection by the examiner constitute the basis and subject matter of any appeal to a Board of Appeals of the Patent Office, and thereafter to the Court of Customs and Patent Appeals or to a federal district court, in the same manner that the record made in a trial court is the subject of review by an appellate court. In such a review of a decision of the Patent Office on a patent application the review is limited to the matters presented

in the application and amendments thereto, and if these documents do not adequately reflect and present the applicant's rights, as required by law and the decisions of the courts, valuable legal rights, which if properly presented to the Patent Office might be saved on review, will be lost.

All that is done in the proceedings before the Patent Office must therefore be done with the view that what is done will or may ultimately be interpreted as to meaning and measured as to sufficiency by a court or courts.

All of these considerations buttress our conclusion that the preparation of patent applications and amendments thereto by the respondent for others in a representative capacity does constitute the practice of law. This statement would also apply to the preparation of licensing agreements and other contracts involving patent rights and interests therein.

The remaining question then is whether the respondent, by virtue of his admission to practice before the Patent Office as a Patent Attorney, has the right to do these things in this state without being admitted to The Florida Bar.

We think this question was answered in the negative in the *Kearney* case, 63 So.2d 630, supra. As above noted, in that case we held that anyone who holds himself out to the practice "in any field or phase of law" must be a member of The Florida Bar.

[fol. 126] In other jurisdictions there seems to be a lack of accord on the question as it relates to practice before other administrative agencies of the federal government.

Respondent points out that in *Chicago Bar Association* v. *Kellogg*, 88 N.E.2d 519, supra, the appellate court in reversing the trial court on that issue refused to enjoin the patent attorney from preparing and prosecuting applications for patents, although it did enjoin him from preparing, drafting and construing "legal documents, contracts, including patent licenses and deeds, assignments and other evidences of transfer of title to or interests in patent and other property." 88 N.E.2d at p. 527. The court did not explain why it refused to enjoin the preparation of applications for patents and amendments thereto.

It did not state that it would not enjoin those acts because the respondent there was licensed by the Patent Office. On the contrary the court in its opinion, at 88 N.E.2d, p. 526, stated that:

> "... The issue before us is not what things defendant may do under the authority he claims from his license to appear before the United States Patent Office, but what things, if any, he has done in violation of the laws of the State of Illinois...."

Just prior to making the above statement the court also said, at 88 N.E.2d, p. 526:

> "... The courts of the State of Illinois, and not the United States Patent Office, may determine what constitutes the illegal practice of law in this State...."

It does not appear from the opinion that the court was asked to enjoin the preparation of application for patents and amendments thereto and this may be the reason why the court did not do so. No other reason is indicated in the opinion.

We do not think the opinion in that case supports this respondent's contention that the license to practice before [fol. 127] the Patent Office gives him the right to practice as a patent attorney in this state.

Respondent also cites the cases of *De Pass* v. *B. Harris Wool Co.*, 1940, 346 Mo. 1038, 144 S.W.2d 146, *Auerbacher* v. *Wood*, 1947, 139 N.J.E. 599, 53 A.2d 800; *In re Lyon*, 1938, 301 Mass. 30, 16 N.E.2d 74; and *Noble* v. *Hunt*, 1957, 95 Ga. 804, 99 S.E.2d 345. Each of these cases in some way supports the view that where a federal court or agency permits a layman to practice before it, a state may not prevent a layman who is licensed to practice before that court or board from such practice in the state even though such actions constitute the practice of law and practice of law by a layman is contrary to the policy of the state.

While we agree that each of the federal courts and each of those federal agencies which are authorized by Congress to do so may determine who shall be permitted to practice

before them, we do not agree that such authority in any way gives those bodies the authority also to determine that those licensed by it have the right to practice law, in the particular field involved, within the borders of this state.

It may well be that this state may not prohibit any person from appearing and practicing law before a federal court or agency in this state, if he be licensed by the federal court or agency, even though such person not be a member of the Bar of this state. But appearing before such bodies is an entirely different thing from a person holding himself out in this state as qualified to practice law before such federal bodies, maintaining an office in this state for that practice, and doing in this state the many things that are necessary to be done preparatory to the actual appearance before such bodies.

For example, if a United States Court of Appeals conducts sessions in this state attorneys from other states, not licensed to practice in this state, could not be prohibited from arguing before that court in this state, but they would not be permitted to establish an office and hold themselves out in this state as qualified to practice [fol. 128] before the federal court unless they were first admitted to the Bar of this state. The *Kearney* case, 63 So.2d 630, supra, settled this point directly.

If we were to hold otherwise any person licensed to practice before the United States Supreme Court or any other federal court could establish an office and hold himself out in this state as being qualified to represent Florida citizens before those courts without this state having any control over their right to so hold themselves out, or any control over their actions.

As a further example, if the federal district courts in this state were to license non-lawyers to practice before them, these non-lawyers, under the rule contended for by respondent, would have the right to establish an office in this state and to hold themselves out to the citizens of this state as qualified to practice law before such courts and this state would be powerless to protect its citizens in the matter.

Fortunately no such dispute has yet arisen between the states and the federal courts and it is hoped that it never will. Generally speaking the federal courts permit only duly admitted lawyers to practice before them and the matter of determining whether persons shall be admitted to the Bar has been left to the states. It appears that it is only in the federal quasi-judicial and administrative agencies, such as the Patent Office, that the non-lawyer is licensed to practice.

As above stated, we have no argument with the power of such agencies to determine who shall practice before them, but we do not agree that their licensing of a non-lawyer is in anywise to be taken as proof that the work done before them is not the practice of law or that one licensed by them has the right by virtue of said license to hold himself out as qualified to do those things in this state.

It is generally held that a state acting under its police power has the right to define the practice of law and to [fol. 129] determine who is qualified to practice within its borders. *Chicago Bar Association* v. *Kellogg*, 88 N.E.2d 519, supra; *Petition of Florida State Bar Association*, 186 So. 280, 285, supra; *Clark* v. *Austin*, 1937, 340 Mo. 467, 101 S.W.2d 977; *Richmond Association of Credit Men, Inc.* v. *Bar Association of City of Richmond*, 1937, 167 Va. 327, 189 S.E. 153.

We know of no provision in the Federal Constitution, or statutes for that matter, that gives to any federal body the power to determine who may practice law in the several states, or to define the practice of law within the states, and the respondent has cited us none. We do not think that the power to determine who may practice before it gives any such body the implied power to make either determination for this state.

We therefore hold that the license to practice before the Patent Office held by respondent does not give him the right to do in this state those things above listed.

The reason for prohibiting the practice of law by those who have not been examined and found qualified to practice is frequently misunderstood. It is not done to aid or pro-

tect the members of the legal profession either in creating or maintaining a monopoly or closed shop. It is done to protect the public from being advised and represented in legal matters by unqualified persons over whom the judicial department can exercise little, if any, control in the matter of infractions of the code of conduct which, in the public interest, lawyers are bound to observe.

It cannot be denied that the public suffers, as does both the public image of the legal profession and our judicial system, when those not qualified to do so are permitted to hold themselves out as qualified to practice law and as worthy of the trust and confidence of those who have legal problems the solution of which require trained advice and counsel.

If the truth be known the unauthorized practice of law by those not qualified and admitted actually creates work for the legal profession because of the errors and mistakes [fol. 130] of those who for others illegally perform legal work they are not competent to perform. In this the members of the legal profession gain, but the unfortunate members of the public who were ill-advised lose, in some instances quite badly.

It is the effort to reduce this loss by the members of the public that primarily justifies the control of admissions to the practice of law, discipline of those who are admitted, and the prohibition of the practice to those who have not proved their qualifications and been admitted. As incidents of this system the administration of justice is aided and the public image of the legal profession is enhanced.

Here it should be said that no one who evidences the reasonable standards of education, training, experience, good morals and character required by the rules of this Court and who can pass the bar examination, which is given twice yearly, is denied the privilege of practicing law in this state. There is no quota or limit to the number who may be admitted.

In fairness to the respondent in this cause we make clear that nothing we have said in this opinion is intended to indicate that he is not in fact competent to perform those services which he has rendered or that the affairs of any citizen of this state have suffered at his hands.

It may be that he is fully competent to practice law, that he has the educational and other qualifications required of an applicant for admission to the Bar of this state, and that he is well able to pass the bar examination, but until he has done so we have no way of assuring the public that he is qualified to practice law in this state.

Respondent argues that if we grant the injunction prayed for by the Bar we would deprive him of the ability to earn a living and deprive him of property without due process of law contrary to the guarantees of the Florida and United States Constitutions.

The issuance of an injunction by this Court will deprive respondent of the right to earn a living in the practice of [fol. 131] law in this state, but it will take nothing from him to which he has any right, for he does not now have the right to practice law in Florida. Nor will it in any way affect his right to practice before the Patent Office in Washington, D.C.

The right to practice law is not a privilege or immunity of a citizen of the United States within the meaning of the Fourteenth Amendment to the Constitution of the United States. *West Virginia State Bar* v. *Earley*, 109 S.E.2d 420, supra, *Ginsburg* v. *Kovrak*, 1958, 392 Pa. 143, 139 A.2d 889, appeal dismissed 358 U.S. 52, 79 S.Ct. 95, 3 L.Ed.2d 46. See also *Petition of Florida State Bar Association*, 186 So. 280, supra.

Our conclusion, then, is that the respondent, until and unless he becomes a member of the Bar of this state, should be and is permanently enjoined from the following activities in this state:

1. using the term "patent attorney" or holding himself out to be an attorney at law in this state in any field or phase of the law (we recognize that the respondent according to the record before us has already voluntarily ceased the use of the word "attorney");

2. rendering legal opinions, including opinions as to patentability or infringement on patent rights;

3. preparing, drafting and construing legal documents;

4. holding himself out, in this state, as qualified to prepare and prosecute applications for letters patent, and amendments thereto;

5. preparation and prosecution of applications for letters patent, and amendments thereto, in this state; and

6. otherwise engaging in the practice of law.

This injunction cannot and shall not in anywise be construed to affect any rights which the respondent has to practice before the Patent Office when done outside this state.

[fol. 132] It appearing to us that the respondent has cooperated in seeking a determination of his right to do the things charged against him and has not willfully violated any order or rule of this Court which clearly settled the issues involved here, we do not feel that we should now hold him in contempt of this Court. We have no reason to believe that he will not obey the injunction contained herein. If he does, then an order in contempt will be appropriate.

It is so ordered.

Roberts, C.J., Thomas, Drew and Thornal, JJ., concur.

[fol. 133]

IN THE SUPREME COURT OF FLORIDA

January Term, A. D. 1962

[Title omitted]

STAY ORDER—May 16, 1962

In consideration of the motion of attorneys for respondent in the above entitled cause it is ordered that the execution and enforcement of the judgment of the Supreme Court of Florida entered in said cause on April 4, 1962, respondent's petition for rehearing denied May 15, 1962, be and is hereby stayed for ninety (90) days from this date to enable the petitioner to have a reasonable time in which to apply for and to obtain, if he can, a review of said cause by the Supreme Court of the United States, and if such proceeding is perfected and filed in the Supreme Court of the United States within said ninety (90) day period that said judgment be further stayed until said proceeding is disposed of by the Supreme Court of the United States or until the further order of this Court. This order is subject to cancellation at any time if said respondent fails to prosecute such review with reasonable dispatch.

[fol. 134] Clerk's Certificate (omitted in printing).

[fol. 135]

SUPREME COURT OF THE UNITED STATES

ORDER ALLOWING CERTIORARI—October 22, 1962

The petition herein for a writ of certiorari to the Supreme Court of the State of Florida is granted, and the case is transferred to the summary calendar.

And it is further ordered that the duly certified copy of the transcript of the proceedings below which accompanied the petition shall be treated as though filed in response to such writ.

Office Supreme Court, U.S.
FILED
AUG 10 19
JOHN F. DAVIS, CLERK

In the Supreme Court
OF THE
United States

OCTOBER TERM, 1962

No. 322

ALEXANDER T. SPERRY,
Petitioner,

vs.

STATE OF FLORIDA, ex rel., THE FLORIDA BAR,
Respondent.

PETITION FOR A WRIT OF CERTIORARI
to the Supreme Court of Florida

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In the Supreme Court
OF THE
United States

OCTOBER TERM, 1962

No.

ALEXANDER T. SPERRY,
Petitioner,

vs.

STATE OF FLORIDA, ex rel., THE FLORIDA BAR,
Respondent.

PETITION FOR A WRIT OF CERTIORARI
to the Supreme Court of Florida

Alexander T. Sperry prays that a writ of certiorari issue to review the judgment of the Supreme Court of Florida entered in the above-entitled case on May 15, 1962.

CITATIONS TO OPINIONS BELOW

The corrected opinion of the Supreme Court of Florida (Tr. 114), printed in Appendix B, p. 12, *infra*, is pres-

ently unreported in the state reporter system but is reported at 133 U.S.P.Q. 157.

JURISDICTION

The original opinion and judgment of the Supreme Court of Florida was entered on April 4, 1962 (Tr. 84). A timely petition for rehearing (Tr. 106) was denied on May 15, 1962 (Tr. 113). At that time, the Court modified its opinion (Tr. 114), and the judgment (Tr. 131) became final. The jurisdiction of this Court is invoked under 28 U.S.C., Section 1257(3).

QUESTION PRESENTED

Petitioner, a non-lawyer, has been authorized by the Commissioner of Patents to practice before the United States Patent Office. Such practice consists of representing applicants, preparing and prosecuting their applications, and advising them in that connection. Petitioner has been regularly engaged in such practice in Florida but has been enjoined by the Court below, on the ground that such practice by non-members of the Florida bar is "unauthorized" practice of law.

The question presented is whether a *state* may prohibit such Patent Office practice by federally licensed lay practitioners—limiting the right to engage in it to members of its bar—when Congress has authorized the *Commissioner* to regulate all phases of such practice and has expressly authorized him to license qualified non-lawyers therefor.

CONSTITUTIONAL PROVISIONS, STATUTES, AND REGULATIONS INVOLVED

The constitutional provisions involved are the Patent and Copyright Clause (Art. I, Sec. 8, Cl. 8), the Necessary and Proper Clause (Art. I, Sec. 8, Cl. 18), and the Supremacy Clause (Art. VI, Cl. 2) of the Constitution of the United States. They are printed in Appendix A, p. 1, *infra*.

The statutes involved are Sections 31-33 of the Patent Act c. 950, 66 Stat. 792, 35 U.S.C. §§ 31-33. They are printed in Appendix A, pp. 1-2, *infra*.

The federal regulations involved are Rules 1, 341-348 of the Rules of Practice of the United States Patent Office in Patent Cases, 24 F.R. 10332, 37 C.F.R. §§ 1.31, 1.341-1.348. They are printed in Appendix A, pp. 2-11, *infra*.

The state regulation involved is Section 2, Article 2, of the Integration Rule of the Florida Bar, 31 F.S.A. It is printed in Appendix A, p. 11, *infra*.

HOW THE FEDERAL QUESTION IS PRESENTED

The federal question was raised by petitioner at each stage of the litigation in the Court below—which was also the Court of first instance[1]—in the manner indicated in detail in the following Statement of the Case.

It was decided adversely to petitioner as indicated by the excerpts from the Court's opinion set out in the Statement.

---

[1]The original jurisdiction of the Supreme Court of Florida was sustained by the Court under Section 23, Article V, of the Florida Constitution (Tr. 117-118, Appendix B, p. 15, *infra*).

STATEMENT OF THE CASE

Petitioner was admitted to practice by the United States Patent Office in 1928 and has been continuously registered for practice before it ever since (Tr. 34). When the present controversy arose, he maintained an office in Florida, where he actively and openly engaged in practice as a Patent Office practitioner (Tr. 32). That is, he held himself out as qualified to represent applicants in the Patent Office; he prepared and prosecuted patent applications; and as a necessary first step in the process, he advised potential applicants as to the patentability of their inventions (Tr. 33).

However, petitioner is not a member of the bar of any state, including the State of Florida (Tr. 33). That is true also of nearly a quarter of the nation's registered Patent Office practitioners, and of 54 of the 73 patent practitioners in Florida. It is further the fact that nearly half of the patent practitioners throughout the country are not members of the bar in the states in which they practice, and that 62 of the 73 patent practitioners in Florida are not members of the Florida Bar (p. 12, *infra*).

The Commissioner of Patents authorizes such non-lawyers to practice pursuant to a comprehensive federal regulatory scheme, which needs a brief description at the outset for an understanding of this case. By statute, Congress has authorized the Commissioner "to prescribe regulations governing" all phases of Patent Office practice, including admission thereto and exclusion therefrom (35 U.S.C.A. §§ 31-33); and further, has expressly authorized the Commissioner to admit to practice not only attor-

neys, but "agents" and "other persons" as well (35 U.S.C. § 31). Accordingly, the Commissioner has prescribed detailed regulations pursuant to that broad congressional mandate (37 C.F.R. §§ 1.31, 1.341-1.348). Those regulations expressly provide for practice by qualified non-lawyers (37 C.F.R. § 1.341(b)).

The prerequisites for admission to practice—applicable equally to lawyers and non-lawyers—are spelled out by the Patent Act and the Commissioner's regulations. Applicants for admission must be of good moral character and good repute, and must show that they possess the legal, scientific and technical qualifications required to enable them to serve patent applicants effectively in the presentation and prosecution of applications in the Patent Office (35 U.S.C. § 31; 37 C.F.R. § 1.341(c)). Additionally, applicants must pass a rigorous examination administered by the Patent Office (37 C.F.R. § 1.341(c)).

All persons who have met those requirements, whether or not they are lawyers, are "admitted to practice before the Patent Office" (37 C.F.R. § 1.341(a), (b)), and their names are enrolled on an appropriate register of practitioners who are "recognized as entitled to represent applicants before the Patent Office in the preparation and prosecution of applications for patent" (37 C.F.R. § 1.341). Their practice must conform to the extensive Patent Office Rules of Practice in Patent Cases (37 C.F.R. §§ 1.1-1.352), including the standards of professional conduct prescribed thereby (e.g., 37 C.F.R. §§ 1.344, 1.345); and failure to observe those requirements may result in disciplinary proceedings before the Patent Office, leading to suspension or exclusion from practice, subject only to

review by the federal courts (35 U.S.C. § 32; 37 C.F.R. § 1.348).

The present controversy arose on February 23, 1961, when the Florida Bar instituted this action by petitioning the Supreme Court of Florida for a rule requiring petitioner to show cause why he should not be enjoined from engaging in the unauthorized practice of law (Tr. 3). The Bar contended, in substance, that the activities in which petitioner was engaged are unlawful when performed by a non-member of the state bar, under Section 2, Article 2, of the Integration Rule of the Florida Bar (Tr. 4, 5).[2]

On March 6, 1961, the Court issued the requested rule to show cause (Tr. 31), and ten days later petitioner filed a responsive pleading (Tr. 32). In it, he admitted that he was engaged in the activities here in question (Tr. 32, 33), and alleged, by way of defense, that he was registered for such practice by the United States Patent Office (Tr. 34). In his supporting brief, he argued that his activities did not constitute unauthorized practice of law within the meaning of the state Integration Rule (Tr. 60-67). In any event, he contended, he was authorized to engage in those activities without becoming a member of the Florida Bar, as a matter of federal law. He claimed that right, by virtue of his Patent Office registration, under the Patent and Copyright, Supremacy and Due Process clauses of the Federal Constitution, the practice provisions of the Patent Act (35 U.S.C. §§ 31-33), and the

[2] "2. No person shall engage in any way in the practice of law in this state unless such person is an active member of The Florida Bar, in good standing * * *."

registration provisions of the Patent Office Rules of Practice (37 C.F.R. § 1.341 et seq.). Therefore, he insisted, his activities were beyond the power of the state to prohibit (Tr. 67-70).[3]

As there was no dispute concerning the material facts, the cause was argued and submitted on the pleadings and briefs, without the taking of testimony (Tr. 116).

On May 4, 1962, the Court filed an original opinion (Tr. 84), which, with a minor change mentioned hereafter, eventually became its final decision (Tr. 114; Appendix B, p. 12, *infra*). In the opinion, the Court disposed of the state law questions first, holding that for purposes of the Integration Rule, the representation of applicants before the Patent Office in the preparation and prosecution of patent applications constitutes the practice of law (Appendix B, pp. 24-25, *infra*). Then, addressing the federal question,[4] it held that petitioner's federal license did not give him the right to engage in such practice without complying with the state's requirements for admission to law practice (Appendix B, p. 30, *infra*); and indeed, on the contrary, that even though the Patent Office had licensed petitioner to practice before it, the state's police

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[3]Pertinent excerpts from the responsive pleading and the supporting brief are printed in Appendix D, pp. 66-76, *infra*, in compliance with Rule 23(1)(f) of the Revised Rules of this Court.

[4]In its opinion the Court phrased the question as follows: "• • • whether, [petitioner] having been licensed to practice before it by the Patent Office, this state has the power to deny [him] the right to so practice in this state." (Appendix B, p. 17, *infra*). And again: "• • • whether [petitioner], by virtue of his admission to practice before the Patent Office as a Patent Attorney, has the right to [engage in the activities here in question] in this state without being admitted to the Florida Bar." (Appendix B, pp. 25-26, *infra*.)

power permits it "to deny [him] the right to so practice" in Florida (Appendix B, p. 17, *infra*). In other words, the Court was of the opinion that federal law did not, and could not, authorize petitioner to engage in Patent Office practice in Florida without being admitted to the Florida Bar.[5]

Therefore, the Court enjoined petitioner from, inter alia, preparing and prosecuting applications for letters patent and amendments thereto; from holding himself out as qualified therefor; from rendering opinions as to patentability—concededly a necessary first step in representing another in securing a patent (Appendix B, p. 22, *infra*); from describing himself as a "patent attorney" in accordance with his Patent Office registration[6]—a prac-

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[5]In point is the following passage from the Court's opinion (Appendix B, p. 29, *infra*):

> "It is generally held that a state acting under its police power has the right to define the practice of law and to determine who is qualified to practice within its borders. • • •
>
> "We know of no provision in the Federal Constitution, or statutes for that matter, that gives to any federal body the power to determine who may practice law in the several states, or to define the practice of law within the states, and [petitioner] has cited us none. [But see, however, Appendix D, pp. 69-74, *infra*.] We do not think that the power to determine who may practice before it gives any such body the implied power to make either determination for this state.
>
> "We therefore hold that the license to practice before the Patent Office held by [petitioner] does not give him the right to do in this state those things [in question here]."

[6]All persons registered with the Patent Office prior to November 15, 1938, were registered as "patent attorneys," whether they were attorneys at law or not, and such registrations have not been changed by the Patent Office. Non-lawyers admitted subsequently are registered as "patent agents." There is no differentiation between "patent attorneys" and "patent agents," however, with respect to the activities authorized by their registration (see, e.g., 37 C.F.R. §§ 1.31 and 1.341, Appendix A, pp. 2-6, *infra*).

tice which he had voluntarily ended (Tr. 33).[7] The injunction was limited, of course, to such activities within the State of Florida (Appendix B, p. 33, *infra*).

On April 16, 1962, before the Court's decision became final, petitioner filed a timely petition for rehearing (Tr. 106). In it, he pointed out the squarely conflicting decision of the Ohio Court of Appeals in *Battelle Memorial Institute v. Green et al.*, 133 U.S.P.Q. 49 (unreported in the state reporter system, but printed in Appendix C, p. 34, *infra*). That case, which reversed certain trial court decisions mentioned in the original opinion below (Tr. 89a),[8] held that the federal government had occupied the field of Patent Office practice regulation to the exclusion of the states; and that, as a consequence, the states have no power to prohibit the preparation and prosecution of patent applications by registered Patent Office practitioners, even though those practitioners are not authorized by state law to engage in the practice of law (Appendix C, p. 45, *infra*). Petitioner there

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[7]In addition to the activities described above, the injunction prohibited petitioner from otherwise engaging in the practice of law (Appendix B, p. 33, *infra*). However, petitioner attacks the injunction here only insofar as it prohibits him from engaging in the specific activities mentioned above, covered by his federal license to practice before the Patent Office. He does not claim that he has any right otherwise to engage in activities that would be regarded as the practice of law.

[8]*Battelle Memorial Institute v. Green, et al.*, 84 O.L.A. 353, 173 N.E.2d 201 (Ohio Court of Common Pleas, Franklin County, 1961); *In re Battelle Memorial Institute*, 170 N.E.2d 774 and 172 N.E.2d 917 (Ohio Court of Common Pleas, Franklin County, 1960). Also cited in the original opinion below, but deleted from the final version, was another decision which was, in effect, overruled by the Court of Appeals in the *Battelle* case: *Marshall v. New Inventors Club, Inc.*, 69 O.L.A. 578, 117 N.E.2d 737 (Ohio Court of Common Pleas, Cuyhoga County, 1953).

fore sought further consideration of the Court's conclusions with respect to the federal question (Tr. 107-109).

On May 15, 1962, the Court filed a "corrected" opinion from which references to the reversed Ohio decisions had been deleted (see Appendix B, p. 19, fn., *infra*). With that minor modification of the Court's opinion, the petition for rehearing was denied (Tr. 113). The next day, the Court stayed execution and enforcement of its judgment for ninety days, to enable petitioner to seek review by this Court (Tr. 133).

REASONS FOR GRANTING THE WRIT

1. The question presented involves a clear conflict, of obvious gravity, between an exercise of federal power to regulate practice before a federal agency and the exercise of a state's power to regulate the practice of law. The problem affects numerous persons. It further affects, not only the orderly administration of the United States patent system, but also practice before other federal agencies which, like the Patent Office, license lay practitioners without reference to state practice requirements.

The Patent Office is one of the oldest federal agencies which has existed continuously down to the present day. The first Patent Act passed by Congress was in 1790, c. 7, 1 Stat. 109, §§ 1-7, and the first patent was granted in the same year. The Patent Office itself was established in 1836, pursuant to the provisions of the Patent Act of 1836, c. 357, 5 Stat. 117, §§ 1-21.

Although there was no express authorization from Congress before 1922, it had long been the custom of the

Patent Office to permit lay practitioners to represent patent applicants before the Patent Office. In 1922, Congress provided specifically that the Commissioner of Patents could recognize both attorneys and non-attorneys to represent patent applicants.[9] Since that time, and up to the present, the Commissioner has registered many non-attorneys to represent patent applicants, upon a suitable showing by these persons of their ability to carry on such practice properly.

If the court below is right, i.e., that a state has the power to declare that non-attorneys cannot represent patent applicants within the state, even though duly registered with the Patent Office, then it would clearly be within the power of the state to eliminate the class of lay practitioners sanctioned by Congress and supervised by the Commissioner of Patents.

The practical importance of the question is demonstrated by the number of patent practitioners in Florida who are directly affected by the decision below and by the large percentage of the nation's patent practitioners who are indirectly affected.

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[9]Patent Act of 1922, c. 58, 42 Stat. 390, § 3:

"The Commissioner of Patents, subject to the approval of the Secretary of the Interior, may prescribe rules and regulations governing the recognition of agents, attorneys or other persons representing applicants or other parties before his office, and may require of such persons, agents, or attorneys before being recognized as representatives of applicants or other persons, that they show that they are of good moral character and in good repute, are possessed of the necessary qualifications to enable them to render to applicants or other persons valuable service, and are likewise competent to advise and assist applicants or other persons in the presentation or prosecution of their applications or other business before the office . . ."

The pamphlet "Patent Attorneys and Agents available to represent Inventors before the U. S. Patent Office"[10] lists 73 patent practitioners in Florida. Of these, only 11 are admitted to the Florida Bar. Eight others are attorneys admitted in other states, and 54 are, like petitioner, not admitted to any bar. The decision of the Court below will thus forbid 62 of the 73 patent practitioners in Florida from continuing in Florida to represent patent applicants before the Patent Office.

The decision below will also have an indirect effect on patent practitioners throughout the nation. As of January 23, 1962, the official records of the Patent Office[11] list 7,232 persons in the United States who are registered to represent patent applicants before the Patent Office. Of these, over 45% (3,307) are not admitted to the bar of the state in which they practice.[12] Regardless of the present attitude of the individual states to the continued practice of patent practitioners who are not members of the bar of the state, it is obvious that these states could decide at any time to adopt the reasoning and holding of the court below and forbid this practice

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[10]U. S. Department of Commerce, Patent Office, October 1, 1961, available from the Superintendent of Documents, U. S. Government Printing Office.

[11]Maintained in accordance with the provisions of 37 C.F.R. 1.341, Appendix A, p. 3, *infra*.

[12]This list breaks down as follows:

Attorneys having office addresses in states where they are members of the bar	3,925
Attorneys having office addresses in states where they are not members of the bar	1,619
Lay "Patent Attorneys" registered prior to November 15, 1938	513
Lay "Patent Agents" registered subsequent to November 15, 1938	1,175

entirely. Therefore, the rights of all of these patent practitioners to continue in the pursuit of the occupation for which they have trained and qualified will remain clouded until the question here is determined by this Court.

The decision below will directly affect a large number of the public who are patent applicants and who are currently being represented by registered lay practitioners. As indicated by the record (Tr. 112) petitioner has over 50 patent applications pending in the Patent Office. If he is unable to continue in practice, all of these patent applicants must then obtain representation by the few (11 out of 73) practitioners who are approved by the State of Florida. The same would be true of all of the patent applicants represented by the other 61 unapproved patent practitioners. Naturally, a similar result would be reached if all of the states were to follow Florida and were to eliminate from practice almost half of the persons so authorized by the Patent Office to represent patent applicants. Since there are currently in excess of 190,000 patent applications pending in the Patent Office,[13] it is plain that the elimination of lay practitioners would wreak havoc with the orderly administration of the Patent Office.

The question presented acquires even greater importance by virtue of the fact that the decision below not only affects the administration of the Patent Office, but would also serve as a basis for state control over lay

[13] Official Gazette of the United States Patent Office, Vol. 780, No. 2, p. 370, July 10, 1962.

practitioners who have duly qualified to represent persons before other federal agencies.

For example, the Tax Court of the United States permits qualified lay practitioners, e. g. certified public accountants, to represent persons in the preparation and trial of cases in the Tax Court.[14] The decision below clearly shows that Florida considers that it has the power to forbid this practice by laymen and the power to limit practice before the Tax Court to persons only who are members of the Florida bar.

Similarly, the federal Interstate Commerce Commission provides for the representation of persons before it by qualified lay practitioners.[15] Again, the rights of these

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[14]Rule 2 of the Rules of Practice before the Tax Court of the United States, 22 F.R. 278, 26 C.F.R. § 701.2, provides in part as follows:

> "*Admission to practice.* An applicant who establishes to the satisfaction of the Court that he or she is a citizen of the United States, of good moral character and repute, and possessed of the requisite qualifications to represent others in the preparation and trial of cases, may be admitted to practice before the Court subject to the specific requirements stated hereafter in this Rule.
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> • • • •
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> "An applicant, not an attorney-at-law, as a condition of being admitted to practice, must pass a written examination given by the Court and the Court may require such person in addition, to take an oral examination. Any person who has thrice failed such examinations shall not thereafter be eligible to take another examination. Any person who has thrice failed such examinations shall not thereafter be eligible to take another examination for admission."

[15]Rule 8 of the General Rules of Practice before the Commission in Proceedings under the Interstate Commerce Act and Related Acts, 21 F.R. 7327, 49 C.F.R. § 1.8, provides in part as follows:

> "*Practitioners' qualifications and classes.* The following classes of persons whom the Commission finds, upon consideration of their applications, to be of good moral character and to possess the requisite qualification to represent

practitioners to continue in the occupation for which they have qualified are severely clouded by the decision below.

Petitioner does not have available the statistics as to the number of lay practitioners who are qualified to practice before federal agencies other than the Patent Office, but submits that it is undoubtedly a large class. Certainly there are many accountants throughout the United States who regularly practice before the Treasury Department or Tax Court. However, regardless of the exact number, all would be embraced by the reasoning and decision of the Court below.

2. The question presented has never been determined by this Court and will remain unsettled until it is, because the decision below is in conflict with decisions by the courts in other states, as indicated hereafter:

a) As has been mentioned in the Statement of the Case above, the decision below is squarely in conflict with the decision of the Ohio Court of Appeals in *Battelle Memorial Institute v. Green et al.*, 133 U.S.P.Q. 49 (1962) (Appendix C, pp. 34-52, *infra*). That decision, by an intermediate Ohio appellate court, has been appealed to the Supreme Court of Ohio and is presently pending there. No decision of the latter Court is expected, however, until after this petition has been presented to this Court.

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others may be admitted to practice before the Commission:

* * * *

"(b) *Persons not attorneys.* Any person not an attorney at law who is a citizen or resident of the United States, and who shall satisfy the Commission that he is possessed of the necessary legal and technical qualifications to enable him to render valuable service before the Commission, and that he is otherwise competent to advise and assist in the presentation of matters before the Commission."

In the *Battelle* case, the State Bar of Ohio sought to enjoin the Battelle Memorial Institute from the unauthorized practice of law. The acts complained of, like here, were the preparation, filing and prosecution of patent applications in the Patent Office. The trial Court held that these acts constituted unauthorized practice of law by a corporation. The Court of Appeals reversed and dismissed, on the ground that the federal government had preempted the regulation of Patent Office practice, leaving the states no power to superimpose their own requirements thereon.

The Court of Appeals, after reviewing the pertinent provision of the Constitution of the United States,[16] the Patent Act[17] and the Rules of Practice of the U. S. Patent Office in Patent Cases,[18] concluded:

> "Normally, the practice of law is controlled exclusively by the judiciary. The reason why lawyers are officers of the court, and therefore subject to the control of the court is that they are admitted by order of the court. However, persons admitted to practice of law by the Ohio courts are not thereby qualified or authorized to practice in patent matters before the U.S. Patent Office. This power has been reserved by the United States Constitution to Congress, and in turn by Congress it has been granted only to the Commissioner of Patents. This leaves the Ohio courts in the position of being unable to

[16]Article I, Sec. 8, Cl. 8 and Article VI (Appendix A, p. 1, *infra*).

[17]35 U.S.C. 31-33 (Appendix A, p. 1, *infra*.).

[18]Rules of Practice 31, 341(c), and 348, 37 C.F.R. 1.31, 1.341(c), 1.348 (Appendix A, p. 2, *infra*).

exercise control over that which they do not have the power to authorize in the first instance.

"The case of The Land Title Abstract and Trust Co. v. Dworken, 129 Ohio St., 23, and other cases dealing with practice of law, as distinguished from practice before the United States Patent Office, are not relevant, not being cases in which a superior right has been retained in the federal government by the United States Constitution.

"Were the courts of each state to control practice before the United States Patent Office, thus usurping a right to control that which they cannot authorize in the first instance, by considering it to constitute the practice of law within their state; then the courts of the 50 states, by ignoring the provisions of Article VI of the United States Constitution, supra, could render the provisions of Congress in regard to practice before the Patent Office as enacted under the provisions of Article I, Section 8, of the United States Constitution, supra, a nullity.

• • • •

"For the reasons set forth, we conclude that control of practice before the U.S. Patent Office is a superior right vested exclusively by the United States Constitution and by acts of Congress in the Commissioner of Patents, subject to appeal to the federal courts, and the state courts, by virtue of Article VI of the United States Constitution, are bound thereby and precluded from interfering."

By way of contrast, the Court below held that the power of the Patent Office to determine who may practice before it does not prevent the State of Florida from interfering and, indeed, forbidding such practice.

b) The decision below is also in conflict with a decision of the Supreme Court of Missouri concerning lay practice before the Interstate Commerce Commission.

In *DePass v. B. Harris Wool Co.*, 346 Mo. 1038, 144 S.W.2d 146, 147 (Supreme Court of Mo., 1940), (Appendix C, pp. 52-59, *infra*), the plaintiff, a non-lawyer who was authorized to practice before the Interstate Commerce Commission, filed suit against the defendant who had employed him to represent the defendant on a contingent fee basis in rate reduction cases before the Interstate Commerce Commission. The defendant offered as its defense that the contract was void as against public policy because the plaintiff was not licensed to practice law in the State of Missouri and hence was performing services there that would be the unauthorized practice of law. In reversing the lower Court's order sustaining the defendant's demurrer to the plaintiff's petition, the Supreme Court of Missouri held:

> "Under the constitutional power of the Federal government to regulate commerce among the several states, an Act of Congress has created the Interstate Commerce Commission and given it the right to prescribe rules of practice before it. See 49 U.S.C.A. § 17(1). We judicially note that the Commission had adopted rules whereby, under specified conditions, persons other than attorneys at law may be admitted to practice before it. Rules of Practice before the Commission in Proceedings under the Interstate Commerce Act and Related Acts 1B 2(b). Such rules have the force and effect of law. • • •
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> "• • • The Interstate Commerce Act, concededly made in pursuance to the Federal constitution, au-

thorizes the Commission to hold sessions in any part of the United States. 49 U.S.C.A. § 19. Plaintiff's contract does not designate the place for the performance of his services. If the Commission should hold sessions in Missouri, under his contract and under his license plaintiff could represent defendant, not as a matter of comity, but by virtue of a law which is just as binding on this court as if it had been enacted by our own General Assembly. • • •

• • • •

"Defendant seems to argue that the right to define the practice of law and to regulate persons engaging in such practice falls within the police power of the state. So it does, except in so far as that right does not run contra to an Act 'made in pursuance' to the Federal constitution."

c) The decision of the Florida Supreme Court is further in conflict with a decision by the highest court in Massachusetts concerning the practice of a non-lawyer in bankruptcy matters in federal courts.

In *In re Lyon*, 301 Mass. 30, 16 N.E.2d 74, 77 (Supreme Judicial Court of Massachusetts, 1938), (Appendix C, pp. 59, infra), the state proceeded against several non-attorneys who maintained a collection agency and who rendered services requiring legal knowledge and skill. The trial justice held that they were engaged in the unauthorized practice of law under state law, and enjoined them generally and specifically from so continuing. The injunction specifically prohibited them from representing creditors in proceedings in bankruptcy in the federal courts. An appeal was taken, inter alia, on the grounds that federal law permits laymen to represent creditors to some

extent in bankruptcy proceedings and that the injunction by the state in this area was too broad.

The Supreme Judicial Court agreed with this position and held:

> "The references to proceedings in bankruptcy and to the District Court of the United States will remain in paragraphs 9 and 12 of the order, but the wording of those paragraphs will be modified by adding a statement or proviso that they shall not affect the exercise by the respondents of any privilege which they now possess or may acquire under any statute, rule, order or established practice of the Federal government or of its courts controlling methods of practice in respect to matters within Federal jurisdiction."

In support of this, the Court stated:

> "It is the declared policy of this Commonwealth that only members of its bar should practise law or hold themselves out as authorized to practise law.
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> • • • •
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> "We concede that our policy and our statute must yield to any valid rule, order or established practice of the Federal courts controlling the practice of law in respect to matters within their jurisdiction, but we see no reason why our policy or statute should give way in favor of persons who seek to escape State regulation of the practice of law on the ground that their practice is within the field of Federal jurisdiction, when they are not authorized to practise in that jurisdiction. Within these limits enforcement of our act according to its terms does not interfere with any Federal function. But if it be true, as the respondents contend, that Federal law permits a layman to

make a business of representing creditors to some extent in bankruptcy proceedings, we do not undertake to interfere with the exercise of that privilege."

d) In addition to the above cases, the conflict between state and federal powers over the regulation of lay practitioners admitted to practice before the indicated federal agencies has been considered in the following cases:

Public Service Traffic Bureau v. Haworth Marble Co., 40 O. App. 255, 178 N.E. 703 (Ohio Court of Appeals, 1931) (Interstate Commerce Commission);

Brooks v. Mandel-Witte Co., 54 F.2d 992 (C.A. 2, 1932) (U. S. Customs Court);

Schroeder v. Wheeler, 126 Cal.App. 367, 14 P.2d 903 (Calif. Dist. Ct. of Appeal, 1932) (Patent Office);

Merrick v. American Security & Trust Co., 107 F.2d 271 (C.A.D.C. 1939) (Tax);

Sharp v. Mida's Research Bureau, 45 N.W.S.2d 690 (Sup.Ct. New York City, 1943) (Patent Office);

Auerbacher v. Wood, 139 N.J.Eq. 599, 53 A.2d 800 (Court of Chancery of New Jersey, 1947) (Tax Court);

Chicago Bar Association v. Kellogg, 338 Ill. App. 618, 88 N.E.2d 519 (Illinois Appellate Court, 1949) (Patent Office);

In re Kearney, 63 So.2d 630 (Supreme Court of Florida, 1953) (Tax Court);

Marshall v. New Inventor's Club, 69 O.L.A. 578, 117 N.E.2d 737 (Ohio Court of Common Pleas, Cuyhoga County, 1953) (Patent Office);

Agran v. Shapiro, 273 P.2d 619 (Appellate Division, Superior Court, Los Angeles, Calif:, 1954) (Tax Court);

Noble v. Hunt, 95 Ga. App. 804, 99 S.E. 2d 345 (Ga.Ct.App., 1957) (U.S. Treasury and Tax Court).

Insofar as these cases touch upon the federal question presented here, the conclusions reached lack uniformity. However, in view of the frequency with which the question is raised, directly or indirectly, and in view of the unsettled state of the law thereon, it is submitted that this Court should now take and decide this matter.

3. The decision of the Florida Supreme Court is clearly erroneous in that it is an improper attempt by a state to exercise control in an area preempted by the federal government.

The Constitution of the United States empowers Congress to establish a patent system (Article I, Sec. 8, Clause 8, Appendix A, p. 1, *infra*). Pursuant thereto, Congress has passed various patent acts, the present act comprising c. 950, 66 Stat. 792, §§ 1-293, 35 U.S.C. §§ 1-293.

Under the present patent act, Congress has specifically vested the Commissioner of Patents with authority to allow both lawyers and non-lawyers to represent patent applicants before the Patent Office (35 U.S.C., 31, Appendix A, p. 1, *infra*). To carry this out, the Commissioner of Patents has adopted Rules 31 and 341(c) of the Rules of Practice of the United States Patent Office in Patent Cases, 37 C.F.R. 1.31 and 1.341(c), (Appendix A, p. 2, *infra*), which set forth the requirements neces-

sary to qualify a person for registration with the Patent Office for practice before it.

These requirements for admission to practice before the Patent Office make it clear that skill in engineering and scientific matters, and familiarity with patent procedures, are as necessary as skill in legal matters. It is furthermore clear that, insofar as practice before the Patent Office is concerned, lawyers and non-lawyers are subject to the same requirements for admission and are entitled to perform the same acts.

The Rules of Practice of the Patent Office in Patent Cases further provide for standards of professional conduct of registered lawyers and non-lawyers, which standards are the same for each class (37 C.F.R. 1.344, Appendix A, p. 7, *infra*). In addition, the Rules of Practice of the Patent Office in Patent Cases establish the procedure wherein registered lawyers and non-lawyers may be disciplined by suspension, disbarment or exclusion from practice (37 C.F.R. 1.348, Appendix A, p. 9, *infra*).[19]

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[19] The Commissioner of Patents is also authorized by § 41 of the Trademark Act of 1946, c. 540, 60 Stat. 427, 15 U.S.C. 1123, to regulate the conduct of proceedings in the Patent Office in connection with trademark applications, and has adopted 37 C.F.R. 2.12 (Rules of Practice of the Patent Office in Trademark Cases) wherein attorneys and certain non-attorneys may represent trademark applicants. In this instance, however, 37 C.F.R. 2.12 provides that:

> "(d) Recognition of any person under this section is not to be construed as sanctioning or authorizing the performance of any acts regarded in the jurisdiction when performed as the unauthorized practice of law."

It is thus clear that the Commissioner of Patents knew exactly how to phrase a rule such that it would remain in the power of a state to regulate the activities of a trademark practitioner. However, there is no corresponding provision in the Rules of Practice of the United States Patent Office in Patent Cases which would permit state control over patent practitioners.

We submit that Title 35 of the United States Code and the comprehensive regulatory scheme set forth in the Rules of Practice of the Patent Office show unequivocally that it has been the intention of Congress that the Commissioner of Patents shall have exclusive control over the admission to practice and the practice of persons, both lawyers and non-lawyers, before the Patent Office.[20] This exclusive control is emphasized in Rule 343 of the Rules of Practice of the Patent Office (37 C.F.R. 1.343) which reads:

> "No person or firm not registered or specifically recognized as provided in Rule 1.342 will be permitted to prosecute applications of others before the Patent Office."

The Supremacy Clause of the Constitution of the United States binds the states to accept the Constitution and laws made pursuant thereto. Therefore, there is no power left in a state to superimpose requirements for registration to practice before the Patent Office, nor does a state have power to forbid a duly registered non-attorney to practice within the state solely because he is not a member of the bar of the state.

If the State of Florida deems it inadvisable that patent applicants be represented by lay practitioners, then it should submit such a proposition through its elected representatives to Congress for consideration by that body.

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[20] In connection with the discipline of a registered patent practitioner, this Court stated in *Kingsland v. Dorsey*, 338 U.S. 318, 70 S.Ct. 123, 94 L.Ed. 123 (1949):

> "• • • It was the Commissioner, not the courts, that Congress made primarily responsible for protecting the public from the evil consequences that might result if practitioners should betray their high trust. • • •"

It should not undertake on its own to forbid practice in a specific area in which power has been delegated to, and occupied by, Congress and the Commissioner of Patents.

Petitioner is, by express provision of federal law, "entitled to represent applicants before the Patent Office in the preparation and prosecution of applications for patent" (37 C.F.R. § 1.341). Yet the Court below has enjoined him from doing just that. It had neither the right nor the power to do so.

CONCLUSION

For the foregoing reasons, this petition for a writ of certiorari should be granted.

Dated, San Francisco, California,
August 4, 1962.

Respectfully submitted,
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(Appendices Follow.)

Appendix A

Constitution of the United States

Art. I, Sec. 8, cl. 8. The Congress shall have power . . . To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.

Art. I, Sec. 8, cl. 18. The Congress shall have Power . . . To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

Art. VI, cl. 2. This Constitution, and the Laws of the United States which shall be made in Pursuance thereof and all treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, anything in the Constitution or Laws of any State to the contrary notwithstanding.

Patent Act of 1952, c. 950, 66 Stat. 792, §§ 31-33, 35 U.S.C. §§ 31-33.

§ 31. The Commissioner, subject to the approval of the Secretary of Commerce, may prescribe regulations governing the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Patent Office, and may require them, before being recognized as representatives of applicants or other persons, to show that they are of good moral character

and reputation and are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office.

§ 32. The Commissioner may, after notice and opportunity for a hearing, suspend or exclude, either generally or in any particular case, from further practice before the Patent Office, any person, agent, or attorney shown to be incompetent or disreputable, or guilty of gross misconduct, or who does not comply with the regulations established under section 31 of this title, or who shall, by word, circular, letter, or advertising, with intent to defraud in any manner, deceive, mislead, or threaten any applicant or prospective applicant, or other person having immediate or prospective business before the Office. The reasons for any such suspension or exclusion shall be duly recorded. The United States District Court for the District of Columbia, under such conditions and upon such proceedings as it by its rules determines, may review the action of the Commissioner upon the petition of the person so refused recognition or so suspended or excluded.

§ 33. Whoever, not being recognized to practice before the Patent Office, holds himself out or permits himself to be held out as so recognized, or as being qualified to prepare or prosecute applications for patent, shall be fined not more than $1,000 for each offense.

Rules of Practice of the United States Patent Office in Patent Cases, 24 F.R. 10332, 37 CFR §§ 1.31, 1.341-1.348.

§ 1.31. Applicants may be represented by an attorney or agent. An applicant for patent may file and prosecute

his own case, or he may be represented by an attorney or agent authorized to practice before the Patent Office in patent cases. The Patent Office cannot aid in the selection of an attorney or agent.

§ 1.341. Registration of attorneys and agents. A register of attorneys and a register of agents are kept in the Patent Office on which are entered the names of all persons recognized as entitled to represent applicants before the Patent Office in the preparation and prosecution of applications for patent. Registration in the Patent Office under the provisions of these rules shall only entitle the persons registered to practice before the Patent Office.

(a) *Attorneys at law.* Any attorney at law in good standing admitted to practice before any United States Court or the highest court of any State or Territory of the United States who fulfills the requirements and complies with the provisions of these rules may be admitted to practice before the Patent Office and have his name entered on the register of attorneys.

(b) *Agents.* Any citizen of the United States not an attorney at law who fulfills the requirements and complies with the provision of these rules may be admitted to practice before the Patent Office and have his name entered on the register of agents.

(c) *Requirements for registration.* No person will be admitted to practice and registered unless he shall apply to the Commissioner of Patents in writing on a prescribed form supplied by the Commissioner and furnish all requested information and material; and shall establish to the satisfaction of the Commissioner that he is of good moral character and of good repute and possessed of the

legal and scientific and technical qualifications necessary to enable him to render applicants for patents valuable service, and is otherwise competent to advise and assist them in the presentation and prosecution of their applications before the Patent Office. In order that the Commissioner may determine whether a person seeking to have his name placed upon either of the registers has the qualifications specified, satisfactory proof of good moral character and repute, and of sufficient basic training in scientific and technical matters must be submitted and an examination which is held from time to time must be taken and passed. The taking of an examination may be waived in the case of any person who has actively served for four years in the examining corps of the Patent Office.

(d) *Registration of firms.* Any firm, the individual members of which are each registered on the register of attorneys, may have its name entered upon the register of attorneys. Any firm, one of the individual members of which is registered on the register of agents and each of the remaining individual members are registered either on the register of attorneys or the register of agents, may have its name entered on the register of agents. If the membership of the firm is changed, application must be made for registration of the firm as changed.

(e) *Foreign patent attorneys and agents.* Any foreign patent attorney or agent not a resident of the United States who shall file proof to the satisfaction of the Commissioner that he is registered and in good standing before the patent office of the country in which he resides and practices, and is possessed of the qualifications stated

in paragraph (c) of this rule, may be registered on the register of agents as entitled to represent applicants located in such country before the United States Patent Office in the presentation and prosecution of applications: *Provided*, That the patent office of such country allows substantially reciprocal privileges to those admitted to practice before the United States Patent Office. Such registration shall continue only during the period that the conditions specified obtain.

(f) *Government employees.* Officers and employees of the United States who are disqualified by statute (18 U.S.C. 281) from practicing as attorneys or agents in proceedings or other matters before Government departments or agencies, may not be registered, and if any registered attorney or agent becomes such an officer or employee, his name on the register shall be endorsed as inactive during the period of such employment, but officers or employees whose official duties require the preparation and prosecution of applications for patent may be registered (on compliance with these rules) or recognized to practice, to the extent necessary to carry out their official duties.

(g) *Former examiners.* No person who has served in the examining corps of the Patent Office will be registered after termination of his services, nor, if registered before such service, be reinstated, unless he undertakes (1) not to prosecute or aid in any manner in the prosecution of any application pending in any examining division in which he served, on the date he left said division; and (2) not to prepare or prosecute nor to assist in any manner in the preparation of prosecution of any appli-

cation of another filed within two years after the date he left such division, and assigned to such division, without the specific authorization of the Commissioner. Associated and related classes in other divisions may be required to be included in the undertaking or designated classes may be excluded. In case application for registration or reinstatement is made after resignation from the Office, the applicant will not be registered, or reinstated, if he has prepared or prosecuted, or assisted in the preparation or prosecution of any such application as indicated in this paragraph.

(h) *Oath and registration fee.* Before his name may be entered on the register of attorneys or on the register of agents, every applicant for registration must, after his application is approved, subscribe and swear to an oath prescribed by the Commissioner of Patents and pay the prescribed registration fee. (See § 1.21.)

(i) *Committee on Enrollment.* The Commissioner may establish a Committee on Enrollment to receive and act upon applications for registration to practice before the Patent Office, to conduct and supervise the examinations provided for in paragraph (c) of this rule, to maintain the registers and to perform such other duties in connection with enrollment and recognition of attorneys and agents as may be necessary; or such functions may be performed by designated officials of the Patent Office. Any action of such committee or official may be reviewed by the Commissioner.

§ 1.342. Limited recognition. Any person not registered and not entitled to be recognized under § 1.341 as an attorney or agent to represent applicants generally may,

upon a showing of circumstances which render it necessary or justifiable, be recognized by the Commissioner to prosecute as attorney or agent a specified application or applications, but this limited recognition shall not extend further than the application or applications specified.

§ 1.343. Persons not registered or recognized. No person or firm not registered or specifically recognized as provided in § 1.342 will be permitted to prosecute applications of others before the Patent Office.

§ 1.344. Professional conduct. Attorneys and agents appearing before the Patent Office must conform to the standards of ethical and professional conduct generally applicable to attorneys before the courts of the United States.

§ 1.345. Advertising. (a) The use of advertising, circulars, letters, cards, and similar material to solicit patent business, directly or indirectly, is forbidden as unprofessional conduct, and any person engaging in such solicitation, or associated with or employed by others who so solicit, shall be refused recognition to practice before the Patent Office or may be suspended, excluded or disbarred from further practice.

(b) The use of simple professional letterheads, calling cards, or office signs, simple announcements necessitated by opening an office, change of association, or change of address, distributed to clients and friends, and insertion of listings in common form (not display) in a classified telephone or city directory, and listings and professional cards with biographical data in standard professional directories shall not be considered a violation of this rule.

(c) No agent shall, in any material specified in paragraph (b) of this section or in papers filed in the Patent Office, represent himself to be an attorney, solicitor or lawyer.

§ 1.346. Signature and certificate of attorney. Every paper filed by an attorney or agent representing an applicant or party to a proceeding in the Patent Office must bear the signature of such attorney or agent, except papers which are required to be signed by the applicant or party in person (such as the application itself and affidavits required of applicants). The signature of an attorney or agent to a paper filed by him, or the filing or presentation of any paper by him, constitutes a certificate that the paper has been read; that its filing is authorized; that to the best of his knowledge, information, and belief there is good ground to support it; and that it is not interposed for delay. When an applicant or party is represented by a registered firm, such papers must carry the signature of the firm, or the signature of an individual member of the firm or an individual registered attorney or agent employed by the firm and duly authorized to sign on behalf of the firm in addition to the firm name, and the certification constituted by the signing or presentation of the paper shall be a certification by and on behalf of the firm and by the individual.

§ 1.347. Removing names from registers. Attorneys, agents, and firms, registered to practice before the Patent Office, should notify the Office of any change of address for entry on the register, by letter separate from any notice of change of address filed in individual applications. The Office may address a letter to any person or

firm on the registers, at the address of which separate notice for the register was last received, for the purpose of ascertaining whether such person or firm desires to remain on the register. The name of any person or firm failing to reply and give the information requested within a time limit specified will be removed from the register, and the names so removed published in the Official Gazette. Any name so removed may be reinstated, either on the register of attorneys or the register of agents, as may be appropriate.

§ 1.348. Suspension or disbarment proceedings. Except as otherwise provided, proceedings for suspension, disbarment, or exclusion from practice are before a Commissioner.

(a) *Investigating and prosecuting officer.* The duties of investigation, preparing charges, collecting and presenting testimony, and presenting a case for suspension, exclusion from practice or disbarment shall be performed by the Solicitor of the Patent Office or, at his direction, by a designated law examiner or other person, and neither the Solicitor nor such law examiner or other person shall participate in any manner in the decision of the case. If, upon investigation of a complaint or other information concerning an attorney or agent, it shall appear to the Solicitor that grounds for suspension, exclusion from practice, or disbarment exist, he shall prepare and forward the necessary notice and statement.

(b) *Notice of proceedings.* Proceedings for suspension or disbarment shall be instituted by the Solicitor by mailing to, or otherwise serving on, the respondent a notice of such proceeding with a statement of the charges against

him, at the same time forwarding a copy to the Commissioner. It shall be the duty of the respondent to answer the charges as specified in paragraph (c) of this rule.

(c) *Answer.* The respondent's answer shall be filed in writing with the Commissioner within thirty days from the time the notice is served on the respondent, or within such extension of time as may be allowed by the Commissioner for good cause shown. The answer shall be under oath. Failure to answer within the time allowed will be taken as an admission of the charges. The respondent in his answer should specifically admit or deny every material allegation of fact in the statement of charges; every allegation not denied shall be deemed admitted, unless the respondent states that he has no knowledge thereof sufficient to form a belief, which statement shall be considered a denial. Any special matters of defense shall be stated affirmatively in the answer. False statements in the answer may be made the basis of supplemental charges.

(d) *Hearing.* (1) Unless the Commissioner finds the answer sufficient to dispose of the charges, he will set the case for hearing before him, notifying the respondent and the Solicitor of the place, day and time of commencement of the hearing. Evidence as to the matters in issue may be submitted at the hearing, the testimony of witnesses being presented orally, under oath and reported.

(2) The hearing may be advanced and continued by the Commissioner, as far as may be deemed convenient and proper.

(3) Depositions for use at the hearing in lieu of personal appearance of witnesses may be taken by either

the Solicitor or the respondent on application to and with the written consent of the Commissioner within such times and under such conditions as the Commissioner may prescribe.

(e) *Hearing officer.* The Commissioner may, in his discretion, delegate the conduct of the hearing to a hearing or trial examiner who shall be the presiding officer and who shall make a recommended decision.

(f) *Administrative Procedure Act.* Proceedings shall be governed, in matters not specially set forth herein, by the provisions of the Administrative Procedure Act, 60 Stat. 237; 5 U.S.C. 1001-1011, which may be applicable.

Section 2, Article 2, of the Integration Rule of The Florida Bar, 31 F.S.A.

"No person shall engage in any way in the practice of law in this state unless such person is an active member of The Florida Bar, in good standing, except that a practicing attorney of another state, in good standing, who has professional business in a court of record of this state may, upon motion, be permitted to practice for the purpose of such business only, when it is made to appear that he has associated and appearing with him in such business an active member of The Florida Bar."

Appendix B

CORRECTED COPY

Not final until time expires to file rehearing petition and, if filed, determined.

In the Supreme Court of Florida
January Term, A. D. 1962

State of Florida, ex rel. The Florida Bar, *Petitioner,* vs. Alexander T. Sperry, *Respondent.*	Case No. 31,411

Opinion filed April 4, 1962

Original Jurisdiction—Complaint from The Florida Bar

Sherwood Spencer, J. Lewis Hall, Donald J. Bradshaw, J. Nixon Daniel, Jr., and John H. Gunn, as and constituting the Special Committee of the Board of Governors of The Florida Bar on Patent Attorneys, Unauthorized Practice of Law, for The Florida Bar, Petitioner

Harry Kemker, for Respondent

O'Connell, J.

In this cause The Florida Bar, by petition filed in this Court, seeks to invoke the original jurisdiction of this Court asking that we require the respondent to show

cause why he should not be held in contempt of this Court for the unauthorized practice of law, and further that we enjoin respondent from further unauthorized practice of law in this state.

Basically the petition alleges that the respondent, Alexander T. Sperry, is engaged in the unauthorized practice of law, in violation of Section 2, Article 4, Integration Rule, The Florida Bar, 31 F.S.A., in that although he is not a member of The Florida Bar, hereinafter referred to as the Bar, he nevertheless holds himself out to the public as a patent attorney, maintains an office in Tampa, Florida on the door of which appear the words "Patent Attorney", and is so listed in the telephone directory of the City of Tampa and on the directory in the lobby of the building in which his office is located. Further, the petition alleges that the respondent represents Florida clients before the United States Patent Office, hereinafter referred to as Patent Office; has rendered opinions as to patentability and opinions as to whether or not patent rights are being infringed and are the subject of a cause of action in the courts; has prepared various legal instruments, including contracts, applications and amendments to applications for letters patent, and filed same in the Patent Office in Washington, D.C.; and has prepared briefs and authorities with points of law relating thereto.

Respondent filed an answer to this petition in which he admitted that he was not a member of the Bar, and admitted all the other allegations thereof with the exceptions or qualifications which follow.

As to advising clients on infringement of existing patents, respondent stated he did so only on one occasion

and that he did so as a part of his work in filing an application for a patent for a client. As to patent license agreements he alleged that he prepared such only in rough and never in finished form.

He denied that he had prepared any other contracts and denied that he had prepared briefs and authorities with points of law relating thereto.

In defense he also asserted, among other things, that he is duly admitted to practice before the Patent Office, having been admitted in 1928, and under the rules and regulations of that office he is authorized to use the nomenclature "Patent Attorney" even though he is not an attorney-at-law in any jurisdiction; the acts performed by him do not constitute the unauthorized practice of law; and that the injunctive relief prayed for would, if granted, deprive him of the ability to earn a living and deprive him of property without due process of law under the Constitution of Florida and the Fifth and Fourteenth Amendments to the United States Constitution.

The matter has been submitted on the pleadings. The material facts being admitted there is no need for the taking of testimony.

While not raised by either party the first question which we feel necessary for decision is whether this matter is within the original jurisdiction of this Court.

In 1956 the electorate of this state adopted a revised Article V of our state constitution. Section 23 of this new article gives this Court "exclusive jurisdiction over the admission to the practice of law and the discipline of persons admitted."

Quite obviously this matter now before us does not involve either the admission of an applicant to the Bar or the discipline of one already admitted. The question then is whether the authority imposed in Section 23, Article V, also carries with it the power to prevent the practice of law by those who are not admitted to the practice. We think that it must and it does for if it does not the express power to control admissions would be meaningless.

This identical question was raised in a similar case in *West Virginia State Bar v. Earley*, W. Va. 1959, 109 S. E. 2d 420. We adopt as ours the words that court spoke in disposing of the question, at 109 S. E. 2d, p. 440, to-wit:

> ". . . It would indeed be an anomaly if the power of the courts to protect the public from the improper or unlawful practice of law were limited to licensed attorneys and did not extend or apply to incompetent and unqualified laymen and lay agencies. Such a limitation of the power of the courts would reduce the legal profession to an unskilled vocation, destroy the usefulness of licensed attorneys, as officers of the courts, and substantially impair and disrupt the orderly and effective administration of justice by the judicial department of the government; and this the law will not recognize or permit."

The express power contained in our state constitution makes unnecessary any discussion of the inherent power of the courts to regulate the practice of law and those who engage in it. Were it necessary to do so there is abundant authority to support the view that the courts do have such power. *Petition of Florida State Bar Ass'n.* 1938, 134 Fla. 851, 186 So. 280; *Chicago Bar Ass'n v.*

Kellogg, 1949, 338 Ill. App. 618, 88 N. E. 2d 519; *In re Baker*, 1951, 8 N. J. 321, 85 A. 2d 505; *West Virginia State Bar v. Earley*, 109 S. E. 2d 420, supra.

The next question then is whether this Court may enforce its authority in such matters by either or both contempt proceedings and injunction.

The unauthorized practice of law constitutes a contempt of court. *West Virginia State Bar v. Earley*, supra; *In re Baker*, supra. See also Cases Noted, 6 Miami Law Quarterly 606.

In *Hargett v. Lake*, Kent. App. 1957, 305 S. W. 2d 523, as in this case before us, a proceeding was brought originally in the appellate court seeking to have a person held in contempt and appropriately punished for practicing law without license or right. That court adjudged the person involved to be in contempt and ruled that ". . . he is permanently enjoined from engaging in the practice of law."

Aside and apart from these decisions which support the view that a court may invoke contempt and injunctive powers to enforce its authority in such matters, this Court has constitutional authority for so doing.

Sec. 4(2), Art. V, Fla. Const., F.S.A. gives this Court the authority to "issue all writs necessary or proper to the complete exercise of its jurisdiction." Having held above that the authority to regulate the practice of law by those not admitted to the Bar is vested in this Court under the cited section of the constitution, it follows that the power to issue writs necessary to enforce its rules and orders applies to matters affecting the practice of

law as much as to any other rule or order within its jurisdiction to enter.

The next question for decision is whether or not the acts committed by the respondent constitute the practice of law in this state. If this is answered in the negative our work is at an end. However if we find such acts to amount to the practice of law then we must determine whether, respondent having been licensed to practice before it by the Patent Office, this state has the power to deny the respondent the right to so practice in this state.

This Court has not previously been called upon to decide whether the activities charged against the respondent, i.e. the work done by a patent attorney, constitute the practice of law if done in this state.

In *Petition of Kearney*, Fla. 1953, 63 So. 2d 630, 631, this Court said that:

> "It follows that those who hold themselves out to practice in *any field or phase of law* must be members of the Florida Bar, amenable to the rules and regulations of Florida Courts. . . ." (Emphasis added)

The Bar here urges that the practice of patent law is certainly a field or phase of law within the purview of this Court's opinion in the *Kearney* case.

There are however differences between the *Kearney* case and this one which require that we not treat it as dispositive of this case.

The petitioner Kearney was duly admitted to practice before the Supreme Court and the Tax Court of the United States and before the Treasury Department of the United States. He was not a member of The Florida

Bar. He sought permission to practice in Florida as "Federal Tax Counsel" with his court appearances to be limited to the federal courts and the departments above mentioned. This Court, in proceedings originating before it as in this case, ruled that the permission to practice in this state in the manner contemplated was not governed exclusively by the rules of the United States courts and departments; rather, it held that such would constitute the practice of law in this state and Kearney in order to do so would have to become a member of The Florida Bar, subject to the jurisdiction of this Court. In its opinion this Court cited Sec. 2, Integration Rule, supra, stressing that said rule provides that no person shall engage in any way in the practice of law in this state unless he is an active member of The Florida Bar.

In the *Kearney* case this Court obviously started with the premise that the activities which Kearney wished to pursue in this state constituted the practice of law. This Court did not discuss the question other than to state that the American Bar Association and many states hold that practice before the Tax Court and the Treasury Department may constitute the practice of law, citing decisions in support of this statement.

But in this case we cannot start with the premise that the activities of the respondent constitute the practice of law for he puts this question squarely in issue.

While the *Kearney* case may well stand for the proposition that practice before the Tax Court and the Treasury Department "may constitute the practice of law which may be enjoined if attempted by one not admitted to

practice" (63 So. 2d at p. 630) it cannot be said to hold that practice before any or all other federal administrative agencies necessarily constitutes the practice of law.*

The Bar cites the case of *Chicago Bar Association v. Kellogg*, 88 N. E. 2d 519, supra. In that case the court held that the person so charged, without prejudice to his right to advise and assist applicants for patents in the presentation and prosecution of their applications for patents before the United States Patent Office, should be enjoined from the following activities:

1. giving legal advice;

2. preparing, drafting and construing legal documents, contracts, including patent licenses and deeds, assignments and other evidences of transfer of title to or interests in patent and other property;

3. rendering legal opinions, including legal opinions relating to title to, and validity, infringement and enforcement of, patents and trade marks and rights therein and thereto;

*The following paragraph appeared at this point in the original opinion of the court (Tr. 89a), but was deleted in the corrected opinion filed May 15, 1962 (Tr. 114):

"The Bar refers us to certain decisions of courts of common pleas in Ohio which are directly in point and hold that activities such as those of the respondent here do constitute the 'practice of law', *Marshall v. New Inventors Club, Inc.*, 1953, 69 O.L.A. 578, 117 N.E. 2d 737; *Battelle Memorial Institute v. Green*, 1961, 84 O.L.A. 353, 173 N.E. 2d 201 (See also *In re Battelle Memorial Institute*, Court of Common Pleas, Ohio 1960, 170 N.E. 2d 774 and 172 N.E. 2d 917). These are not decisions of courts with final appellate jurisdiction and we do not accept them as binding precedent but we have found the reasoning expressed therein to be helpful to a fuller understanding of the problem under discussion."

4. preparing, drafting and filing pleadings and other legal documents and papers in suits at law and in equity, in courts of record and before administrative tribunals, other than the Patent Office;

5. participating, as an attorney, in legal proceedings:

6. in behalf of persons represented by him, threatening to bring suits against other parties;

7. preparing and serving notice of and asserting attorney's lien; and

8. charging and collecting fees for legal services rendered by him and rendered by him and others.

Apparently the court was not asked to and did not enjoin the preparation of applications for letters patent and of amendments to such applications. However, it did enjoin the charging of fees for legal services, including those wherein the Patent Office had jurisdiction.

Respondent's argument is that the practice of "patent law" is not the "practice of law." In support thereof he cites several cases which, while not actually in point, do strongly indicate the subject court's opinion to be that such practice is not the practice of law. *Zenith Radio Corp. v. Radio Corp. of America*, 121 F.Supp. 792 (D. Del. 1954); Application of Platamura, 1960, 22 Conn.Sup. 213, 166 A. 2d 859; *Public Service Traffic Bureau, Inc. v. Haworth Marble Co.*, 1931, 40 O.A. 255, 178 N.E. 703.

While few cases in other jurisdictions can be found relating to the question whether practice before the Patent Office constitutes practice of law, numerous decisions concerning such question as related to other agencies, departments and commissions can be found. There is lack of

uniformity therein as to whether such practice is the practice of law. See Annotation 111 A.L.R. 19 (1937), supplemented in 125 A.L.R. 1173 and 151 A.L.R. 781.

The Patent Office, in the sense pertinent here, is an administrative agency, not a court.

Yet it is not the nature of the agency or body before which the acts are done, or even whether they are done before a tribunal of any sort or in the private office of an individual, that determines whether that which is done constitutes the practice of law. The best test, it seems to us, is what is done, not where, for the safest measure is the character of the acts themselves. If they constitute the practice of law the fact that they are done in the private office of the one who performs them or before a non-judicial body in no way changes their character.

Many courts have attempted to set forth a broad definition of the practice of law. Being of the view that such is nigh onto impossible and may injuriously affect the rights of others not here involved, we will not attempt to do so here. Rather we will do so only to the extent required to settle the issues of this case.

It is generally understood that the performance of services in representing another before the courts is the practice of law. But the practice of law also includes the giving of legal advice and counsel to others as to their rights and obligations under the law and the preparation of legal instruments, including contracts, by which legal rights are either obtained, secured or given away, although such matters may not then or ever be the subject of proceedings in a court.

We think that in determining whether the giving of advice and counsel and the performance of services in legal matters for compensation constitute the practice of law it is safe to follow the rule that if the giving of such advice and performance of such services affect important rights of a person under the law, and if the reasonable protection of the rights and property of those advised and served requires that the persons giving such advice possess legal skill and a knowledge of the law greater than that possessed by the average citizen, then the giving of such advice and the performance of such services by one for another as a course of conduct constitute the practice of law.

We will use this measure in testing the acts of the respondent.

The first act to be performed by a person representing another who wishes to secure a patent on an alleged invention is to determine whether the device is patentable. As stated in *Marshall v. New Inventors Club, Inc.*, 117 N.E.2d 737, supra, at p. 739:

> "Not every alleged patent is patentable. Hence the rendering of an opinion as to patentability requires a knowledge of the patent statutes and of the decisions interpreting them. . . ."

A patent is undoubtedly a property right. It is difficult to see how any valid distinction can be made between advising one as to whether he does or does not have a cause of action in a court involving his rights and advising one that he does or does not have a patentable device, under the laws and decisions applicable thereto, and the right to protect the invention by obtaining a patent.

The advising of persons as to their rights under the law universally has been held to be the practice of law. We think that one who holds himself out to the public in this state as qualified to advise as to patentability and does so is engaging in the practice of law. The same is true of the act of advising as to infringement of patent rights. Both require extensive knowledge of the law, statute and case, in a field of the law that is as technical and involved as any known today.

A patent is variously described as a public franchise or as a contract. In all definitions it is apparent that:

> "A patent duly issued amounts to a contract between the inventor and the government, under which the public, through the government, agrees that, in consideration of the inventor's disclosure of his invention and the grant of the right to use it after his patent expires, he shall be protected in his exclusive use during the life of the patent. . . ." 69 C.J.S., Patents, Sec. 5.

> "Patent is a contract by which the government secures to the patentee the exclusive right to vend and use his invention for a few years, in consideration of the fact that he has perfected and described it and has granted its use to the public forever after. The general rules for the interpretation of grants and contracts govern its construction. . . ." *National Hollow Brake-Beam Co. v. Interchangeable Brake-Beam Co.*, 106 Fed. 693 (8th Cir. 1901).

As pointed out by the Supreme Court of the United States in *Topliff v. Topliff*, 1892, 145 U.S. 156, 12 S.Ct. 825, 36 L.Ed. 658, the terms of those contractual documents which constitute a patent make it one of the most

difficult of all legal instruments to draw with accuracy. In speaking of the matter in that case the Supreme Court of the United States said, at 145 U.S., p. 171:

> ". . . The specification and claims of a patent, particularly if the invention be at all complicated, constitute one of the most difficult legal instruments to draw with accuracy, and in view of the fact that valuable inventions are often placed in the hands of inexperienced persons to prepare such specifications and claims, it is no matter of surprise that the latter frequently fail to describe with requisite certainty the exact invention of the patentee, and err either in claiming that which the patentee had not in fact invented, or in omitting some element which was a valuable or essential part of his actual invention...."

It is thus apparent that the preparation of applications for patents, and amendments thereto, involves the preparation of the terms of an involved contract and proof of the right to have same issued by the government, requiring legal knowledge and skill far in excess of that possessed by the layman. The preparation of such documents is unquestionably the practice of law and the fact that the preparation and procedures are not done in a court but rather before an administrative agency does not change the character of the acts from legal to non-legal.

Not only is the basic question of patentability controlled by law and court decisions but equally important is the fact that interpretations of the rights protected in a patent are made by the courts. Therefore in drafting and preparing the application and amendments he who prepares the documents must have a clear knowledge of the effect of the existing law on the questions involved, else valuable rights of the inventor may be forfeited.

It is also important to note that the application for a patent, the "actions" or objections thereto issued by the examiner in the Patent Office, the "amendments" or answers filed to the "actions" by the applicant, and the final allowance or rejection by the examiner constitute the basis and subject matter of any appeal to a Board of Appeals of the Patent Office, and thereafter to the Court of Customs and Patent Appeals or to a federal district court, in the same manner that the record made in a trial court is the subject of review by an appellate court. In such a review of a decision of the Patent Office on a patent application the review is limited to the matters presented in the application and amendments thereto, and if these documents do not adequately reflect and present the applicant's rights, as required by law and the decisions of the courts, valuable legal rights, which if properly presented to the Patent Office might be saved on review, will be lost.

All that is done in the proceedings before the Patent Office must therefore be done with the view that what is done will or may ultimately be interpreted as to meaning and measured as to sufficiency by a court or courts.

All of these considerations buttress our conclusion that the preparation of patent applications and amendments thereto by the respondent for others in a representative capacity does constitute the practice of law. This statement would also apply to the preparation of licensing agreements and other contracts involving patent rights and interests therein.

The remaining question then is whether the respondent, by virtue of his admission to practice before the

Patent Office as a Patent Attorney, has the right to do these things in this state without being admitted to The Florida Bar.

We think this question was answered in the negative in the *Kearney* case, 63 So.2d 630, supra. As above noted, in that case we held that any one who holds himself out to the practice "in any field or phase of law" must be a member of The Florida Bar.

In other jurisdictions there seems to be a lack of accord on the question as it relates to practice before other administrative agencies of the federal government.

Respondent points out that in *Chicago Bar Association v. Kellogg,* 88 N.E.2d 519, supra, the appellate court in reversing the trial court on that issue refused to enjoin the patent attorney from preparing and prosecuting applications for patents, although it did enjoin him from preparing, drafting and construing "legal documents, contracts, including patent licenses and deeds, assignments and other evidences of transfer of title to or interests in patent and other property." 88 N.E.2d at p. 527. The court did not explain why it refused to enjoin the preparation of applications for patents and amendments thereto. It did not state that it would not enjoin those acts because the respondent there was licensed by the Patent Office. On the contrary the court in its opinion, at 88 N.E.2d, p. 526, stated that:

> ". . . the issue before us is not what things defendant may do under the authority he claims from his license to appear before the United States Patent Office, but what things, if any, he has done in violation of the laws of the State of Illinois. . . ."

Just prior to making the above statement the court also said, at 88 N.E.2d, p. 526:

> ". . . The courts of the State of Illinois, and not the United States Patent Office, may determine what constitutes the illegal practice of law in this State. . . ."

It does not appear from the opinion that the court was asked to enjoin the preparation of application for patents and amendments thereto and this may be the reason why the court did not do so. No other reason is indicated in the opinion.

We do not think the opinion in that case supports this respondent's contention that the license to practice before the Patent Office gives him the right to practice as a patent attorney in this state.

Respondent also cites the case of *De Pass v. B. Harris Wool Co.*, 1940, 346 Mo. 1038, 144 S.W.2d 146; *Auerbacher v. Wood*, 1947, 139 N.J.E. 599, 53 A.2d 800; *In re Lyon*, 1938, 301 Mass. 30, 16 N.E.2d 74; and *Noble v. Hunt*, 1957, 95 Ga. 804, 99 S.E.2d 345. Each of these cases in some way supports the view that where a federal court or agency permits a layman to practice before it, a state may not prevent a layman who is licensed to practice before that court or board from such practice in the state even though such actions constitute the practice of law and practice of law by a layman is contrary to the policy of the state.

While we agree that each of the federal courts and each of those federal agencies which are authorized by Congress to do so may determine who shall be permitted to practice before them, we do not agree that such authority

in any way gives those bodies the authority also to determine that those licensed by it have the right to practice law, in the particular field involved, within the borders of this state.

It may well be that this state may not prohibit any person from appearing and practicing law before a federal court or agency in this state, if he be licensed by the federal court or agency, even though such person not be a member of the Bar of this state. But appearing before such bodies is an entirely different thing from a person holding himself out in this state as qualified to practice law before such federal bodies, maintaining an office in this state for that practice, and doing in this state the many things that are necessary to be done preparatory to the actual appearance before such bodies.

For example, if a United States Court of Appeals conducts sessions in this state attorneys from other states, not licensed to practice in this state, could not be prohibited from arguing before that court in this state, but they would not be permitted to establish an office and hold themselves out in this state as qualified to practice before the federal court unless they were first admitted to the Bar of this state. The *Kearney* case, 63 So.2d 630, supra, settled this point directly.

If we were to hold otherwise any person licensed to practice before the United States Supreme Court or any other federal court could establish an office and hold himself out in this state as being qualified to represent Florida citizens before those courts without this state having any control over their right to so hold themselves out, or any control over their actions.

As a further example, if the federal district courts in this state were to license non-lawyers to practice before them, these non-lawyers, under the rule contended for by respondent, would have the right to establish an office in this state and to hold themselves out to the citizens of this state as qualified to practice law before such courts and this state would be powerless to protect its citizens in the matter.

Fortunately no such dispute has yet arisen between the states and the federal courts and it is hoped that it never will. Generally speaking the federal courts permit only duly admitted lawyers to practice before them and the matter of determining whether persons shall be admitted to the Bar has been left to the states. It appears that it is only in the federal quasi-judicial and administrative agencies, such as the Patent Office, that the non-lawyer is licensed to practice.

As above stated, we have no argument with the power of such agencies to determine who shall practice before them, but we do not agree that their licensing of a non-lawyer is in anywise to be taken as proof that the work done before them is not the practice of law or that one licensed by them has the right by virtue of said license to hold himself out as qualified to do those things in this state.

It is generally held that a state acting under its police power has the right to define the practice of law and to determine who is qualified to practice within its borders. *Chicago Bar Association v. Kellogg*, 88 N.E.2d 519, supra; *Petition of Florida State Bar Association*, 186 So. 280, 285, supra; *Clark v. Austin*, 1937, 340 Mo. 467, 101 S.W.2d

977; *Richmond Association of Credit Men, Inc. v. Bar Association of City of Richmond*, 1937, 167 Va. 327, 189 S.E. 153.

We know of no provision in the Federal Constitution, or statutes for that matter, that gives to any federal body the power to determine who may practice law in the several states, or to define the practice of law within the states, and the respondent has cited us none. We do not think that the power to determine who may practice before it gives any such body the implied power to make either determination for this state.

We therefore hold that the license to practice before the Patent Office held by respondent does not give him the right to do in this state those things above listed.

The reason for prohibiting the practice of law by those who have not been examined and found qualified to practice is frequently misunderstood. It is not done to aid or protect the members of the legal profession either in creating or maintaining a monopoly or closed shop. It is done to protect the public from being advised and represented in legal matters by unqualified persons over whom the judicial department can exercise little, if any, control in the matter of infractions of the code of conduct which, in the public interest, lawyers are bound to observe.

It cannot be denied that the public suffers, as does both the public image of the legal profession and our judicial system, when those not qualified to do so are permitted to hold themselves out as qualified to practice law and as worthy of the trust and confidence of those who have legal problems the solution of which require ined advice and counsel.

If the truth be known the unauthorized practice of law by those not qualified and admitted actually creates work for the legal profession because of the errors and mistakes of those who for others illegally perform legal work they are not competent to perform. In this the members of the legal profession gain, but the unfortunate members of the public who were ill-advised lose, in some instances quite badly.

It is the effort to reduce this loss by the members of the public that primarily justifies the control of admissions to the practice of law, discipline of those who are admitted, and the prohibition of the practice to those who have not proved their qualifications and been admitted. As incidents of this system the administration of justice is aided and the public image of the legal profession is enhanced.

Here it should be said that no one who evidences the reasonable standards of education, training, experience, good morals and character required by the rules of this Court and who can pass the bar examination, which is given twice yearly, is denied the privilege of practicing law in this state. There is no quota or limit to the number who may be admitted.

In fairness to the respondent in this cause we make clear that nothing we have said in this opinion is intended to indicate that he is not in fact competent to perform those services which he has rendered or that the affairs of any citizen of this state have suffered at his hands.

It may be that he is fully competent to practice law, that he has the educational and other qualifications required of an applicant for admission to the Bar of this

state, and that he is well able to pass the bar examination, but until he has done so we have no way of assuring the public that he is qualified to practice law in this state.

Respondent argues that if we grant the injunction prayed for by the Bar we would deprive him of the ability to earn a living and deprive him of property without due process of law contrary to the guarantees of the Florida and United States Constitutions.

The issuance of an injunction by this Court will deprive respondent of the right to earn a living in the practice of law in this state, but it will take nothing from him to which he has any right, for he does not now have the right to practice law in Florida. Nor will it in any way affect his right to practice before the Patent Office in Washington, D.C.

The right to practice law is not a privilege or immunity of a citizen of the United States within the meaning of the Fourteenth Amendment to the Constitution of the United States. *West Virginia State Bar v. Earley*, 109 S.E.2d 420, supra, *Ginsburg v. Kovrak*, 1958, 392 Pa. 143, 139 A.2d 889, appeal dismissed 358 U.S. 52, 79 S.Ct. 95, 3 L.Ed.2d 40. See also *Petition of Florida State Bar Association*, 186 So. 280, supra.

Our conclusion, then, is that the respondent, until and unless he becomes a member of the Bar of this state, should be and is permanently enjoined from the following activities in this state:

1. using the term "patent attorney" or holding himself out to be an attorney at law in this state in any field or phase of the law (we recognize that the

respondent according to the record before us has already voluntarily ceased the use of the word "attorney");

2. rendering legal opinions, including opinions as to patentability or infringement on patent rights;

3. preparing, drafting and construing legal documents;

4. holding himself out, in this state, as qualified to prepare and prosecute applications for letters patent, and amendments thereto;

5. preparation and prosecution of applications for letters patent, and amendments thereto, in this state; and

6. otherwise engaging in the practice of law.

This injunction cannot and shall not in anywise be construed to affect any rights which the respondent has to practice before the Patent Office when done outside this state.

It appearing to us that the respondent has cooperated in seeking a determination of his right to do the things charged against him and has not willfully violated any order or rule of this Court which clearly settled the issues involved here, we do not feel that we should now hold him in contempt of this Court. We have no reason to believe that he will not obey the injunction contained herein. If he does, then an order in contempt will be appropriate.

It is so ordered.

Roberts, C.J., Thomas, Drew and Thornall, JJ., concur.

Appendix C

(133 U.S.P.Q. 49.)

Ohio Court of Appeals, Franklin County

BATTELLE MEMORIAL INSTITUTE v. GREEN et al.; In re BATTELLE MEMORIAL INSTITUTE

Nos. 6704, 6705 Decided Feb. 13, 1962

Rutherford, Judge, of the Fifth Appellate District, sitting by designation.

Two separate appeals having been combined for hearing, we will consider both in this opinion.

The first is an appeal on questions of law from a judgment in case No. 197,718 in the Common Pleas Court of Frankin County, Ohio, and is here on appeal as case No. 6704. This case was brought by Battelle Memorial Institute v. Merritt W. Green and thirty other persons, being the duly appointed, authorized and acting members of the Unauthorized Practice of Law Committee of the Ohio State Bar Association and as representatives of Ohio lawyers so numerous that it is impractical to bring them all before the court. In this action Battelle Memorial Institute sought a declaratory judgment declaring that services performed by Battelle through members of its patent section do not constitute the unauthorized practice of law.

The second appeal is also on questions of law, being from a judgment in case No. 196,819 in the Common Pleas Court of Franklin County, Ohio, and is here on appeal as case No. 6705. This case, which is captioned "In the Matter of the Unauthorized Practice of Law in

Franklin County, Ohio; In re: Battelle Memorial Institute," was commenced upon application to the Court of Common Pleas of Franklin County, by a committee appointed by said court with instructions to make an inquiry and investigation as to whether persons, firms or corporations are engaged in the unauthorized practice of law in Franklin County.

The charge, as contained in the application, is that Battelle Memorial Institute, although not qualified to practice law and not admitted to the practice of law in Ohio, is nevertheless, engaged in the practice of law in Ohio; wherefore, it was prayed that the court issue an order restraining and enjoining said Battelle Memorial Institute from engaging in the practice of law.

In each case the opinion, as rendered by the Common Pleas Court, has been published. One opinion appears in 84 Ohio Law Abs. 161, 127 USPQ 289, and the other in 84 Ohio Law Abs. 353, 127 USPQ 547. Pertinent facts, as set forth by the Common Pleas Court, and as disclosed by the evidence, concerning the organization of Battelle are:

> Battelle is a nonprofit corporation, organized to conduct scientific research for itself, for the United States Government, and for clients engaged in private industry, called "Sponsors." The complaint of unauthorized practice of law is limited to acts performed in connection with such "Sponsors," and solely to acts relating to patents.
>
> Battelle has a staff of some 2,300 employees, about 1,200 of whom are scientists. It has some fifty divisions divided into seven departments. Its total business in 1959 was about $23,000,000.

The legal department of Battelle consists of seven members. Five members of this department are licensed to practice law in Ohio, and one is a lawyer admitted to practice in Colorado.

The legal department contains a patent section which specializes in the field of inventions and patents. Four men devote all their time to patent matters and two devote about half of their time. Four members of the legal department (all attorneys) are registered in the U.S. Patent Office under the firm name of Gray, Mase and Dunson.

Because of the possibility that research of any kind might, and often does, include the possibility of a new invention and the obtaining of a new patent, every employee of Battelle, before being hired, is required to sign an agreement which obligates the employee to assign any and all inventions made by such employee to Battelle.

Every agreement with an industrial sponsor refers to Battelle's agreement with its employees, which requires them to assign their inventions to Battelle, and includes (in the agreement with such sponsor) a provision that if an invention is made during the course of the research on sponsor's project Battelle will notify the sponsor of this fact and permit the sponsor, at its election, to have such application and all rights to the invention assigned by Battelle to such sponsor. If the sponsor does not elect to exercise its option, Battelle remains the owner of the invention (after assignment by the inventor) and would normally complete the patent. The patent section files and processes the application for a patent until such time as a sponsor elects to take an assignment thereof. In such event, the sponsor has the option of permitting Battelle to continue until the patent is ob-

tained and actually assigned to the sponsor or of further processing the application with counsel of its own choosing.

The members of the legal department of Battelle are paid salaries by Battelle. By agreement with each sponsor, the expense of each project is paid by the sponsor. The time spent by each staff member of Battelle on each project, including scientists and members of the patent section, is kept and charged to the sponsor at a rate based upon the salary being paid to the persons performing the services.

The only tribunal in which members of the patent section work is the U.S. Patent Office. They appear in no courts of law, nor do they participate in any court proceedings.

The Common Pleas Court, in the declaratory judgment action, first found that a justiciable controversy did exist and then rendered judgment declaring as follows:

"(1) When salaried members of the legal department or patent section of Battelle, who are employed to perform recognized legal services for Battelle in connection with applications for, or work in connection with, the obtaining of patents or inventions, cease to perform such legal services exclusively for Battelle and perform them for industrial sponsors of Battelle, this constitutes an unauthorized practice of the law.

(2) When salaried members of the Legal Department or Patent Section of Battelle perform legal services in connection with an application for, or work in connection with, the obtaining of a patent or invention after an industrial sponsor of Battelle has requested an assignment of any such patent or inven-

tion under the terms of the sponsor-Battelle contract, whether by execution of a formal written election or by any other form of expressing its intent to acquire such patent or invention, they are no longer performing such legal services exclusively for Battelle but are in fact performing such legal services for such industrial sponsor, which constitutes an unauthorized practice of the law.

(3) From the evidence adduced at the hearing of this cause, the Court finds that certain of the salaried members of the Legal Department or Patent Section of Battelle have performed legal services in connection with applications for, or work in connection with the obtaining of patents or inventions after an industrial sponsor of Battelle has expressed its intent to seek an assignment of such patents and inventions under the terms of the sponsor-Battelle Contract, and that such legal services are for the industrial sponsors and constitute the unauthorized practice of law.

(4) The power to determine what persons may practice in the U.S. Patent Office is exclusively a power vested in Congress.

(5) A person is performing legal work when he performs such services as the drafting of contracts, applications for letters patent, amendments to applications for letters patent, affidavits and assignments, when he renders opinions as to the patentability, validity, infringement and interference in relation to inventions and patents, when he negotiates and drafts license agreements, and when he gives advice as to the rights and duties of persons and corporations and the fact that such services may be related to patents and inventions does not change the character of such services from legal services to non-legal services.

(6) The power to license persons to practice law is one of the police powers of each state.

(7) The power to admit a person to the practice of law is a judicial power and not a legislative power.

(8) The power to regulate, control and define the practice of law rests inherently in the judicial branch of the government.

(9) No agency of the federal government can dictate, define or limit the practice of law in Ohio.

(10) It is incorrect to say, that all work performed in connection with the obtaining of a patent or invention is necessarily non-legal, or is necessarily not the practice of law, simply because it is done under the rules and requirements of an administrative agency such as the Patent Office.

(11) The work done before an administrative agency may or may not constitute the practice of law, but if it does constitute the practice of law, and is done in Ohio, it must be done by persons who are duly licensed to practice law in Ohio.

(12) The State of Ohio has the right to say what constitutes the practice of law in Ohio, to prescribe the qualifications of those who may be allowed to practice law in Ohio, and to issue licenses to practice law in Ohio to those it finds are so qualified.

(13) The fact that under the rules of the Patent Office non-lawyers may be admitted to practice before such office does not in any way affect the determination by an Ohio court as to whether the performance of certain acts in the patenting of inventions constitutes the practice of law."

In the unauthorized practice of law action the Common Pleas Court made similar holdings to those declared in

the declaratory judgment action and then rendered judgment permanently enjoining Battelle Memorial Institute, acting through its officers, agents, and/or employees from further engaging in the unauthorized practice of law as hereinbefore set forth, for industrial sponsors of Battelle.

Battelle Memorial Institute has appealed from the judgments upon questions of law in each case.

Several errors were assigned, a principal one in each case being that the trial court erred in failing to hold that the federal government has exclusive power and control over admissions to practice in the U.S. Patent Office, so as to preclude any state from interfering therein.

Cross assignments of error were filed in case No. 6704 on the ground that the trial court erred in overruling defendants' motion for a judgment of dismissal in the declaratory judgment action, at the conclusion of the evidence by refusing to conclude that there was no controversy ripe for decision, that there did not exist a justiciable issue, that the controversy therein could not be terminated, and that the petition and the evidence did not establish a cause of action.

The Constitution of the United States provides:

> Article I, Sec. 1. "All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives."
>
> Sec. 8. "The Congress shall have the power to * * * promote the Progress of Science and Useful Arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries * * *."

Article VI. "This Constitution and the Laws of the United States which shall be made in pursuance thereof, * * * shall be the supreme Law of the Land; and the judges in every State shall be bound thereby, anything in the Constitution or Laws of any State to the contrary notwithstanding."

Amendment X. "The powers not delegated to the United States by the Constitution, nor prohibited by it to the states, are reserved to the states respectively, or the people."

Under the power specifically delegated to Congress by Article 1, Sec. 8 of the United States Constitution, Congress enacted the provisions of Title 35 U.S.C.A. Sec. 31 and Sec. 32 in regard to Practice before the Patent Office.

Title 35, Sec. 31. "The Commissioner, subject to the approval of the Secretary of Commerce, may prescribe regulations governing the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Patent Office, and may require them before being recognized as representatives of applicants or other persons, to show that they are of good moral character and reputation and are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office."

Title 35, Sec. 32. "The Commissioner may, after notice and opportunity for a hearing, suspend or exclude, either generally or in any particular case, from further practice before the Patent Office, any person, agent, or attorney shown to be incompetent or disreputable, or guilty of gross misconduct, or who does not comply with the regulations established under sec-

tion 31 of this title, or who shall by word, circular, letter or advertising, with intent to defraud in any manner, deceive, mislead, or threaten any applicant or prospective business before the Office. The reasons for any such suspension or exclusion shall be duly recorded. The United States District Court for the District of Columbia, under such conditions and upon such proceedings as it by its rules determines, may review the action of the Commissioner upon the petition of the person so refused recognition or so suspended or excluded."

Title 35, Sec. 33. "Whoever, not being recognized to practice before the Patent Office, holds himself out or permits himself to be held out as so recognized, or as being qualified to prepare or prosecute applications for patent, shall be fined not more than $1,000 for each offense."

Title 35, Sec. 152. "Patents may be granted to the assignee of the inventor of record in the Patent Office, upon the application made and the specification sworn to by the inventor, except as otherwise provided in this title."

Under authorization from Congress the Commissioner of Patents has enacted rules governing practice before the Patent Office.

Rule 31. "Applicants may be represented by an attorney or agent. An applicant for patent may file and prosecute his own case, or he may be represented by an attorney or agent authorized to practice before the Patent Office in patent cases * * *."

Rule 32. "Prosecution by assignee. The assignee of record of the entire interest in an application for patent is entitled to conduct the prosecution of the application to the exclusion of the inventor."

Rule 341(c) "Requirements for registration. No person will be admitted to practice and registered unless he shall apply to the Commissioner of Patents in writing on a prescribed form supplied by the Commissioner and furnish all requested information and material; and shall establish to the satisfaction of the Commissioner that he is of good moral character and of good repute and possessed of the legal and scientific and technical qualifications necessary to enable him to render applicants for patents valuable service, and is otherwise competent to advise and assist them in the presentation and prosecution of their applications before the Patent Office. In order that the Commissioner may determine whether a person seeking to have his name placed upon either of the registers has the qualifications specified, satisfactory proof of good moral character and repute, and of sufficient basic training in scientific and technical matters must be submitted and an examination which is held from time to time must be taken and passed. The taking of an examination may be waived in the case of any person who has actively served for four years in the examining corps of the Patent Office."

Rule 348. "Suspension or disbarment proceedings. Except as otherwise provided, proceedings for suspension, disbarment, or exclusion from practice are before a Commissioner.

(a) Investigating and prosecuting officer. The duties of investigation, preparing charges, collecting and presenting testimony and presenting a case for suspension, exclusion from practice or disbarment shall be performed by the Solicitor of the Patent Office or at his direction, by a designated law examiner or other person, and neither the Solicitor nor such law examiner or other person shall participate in any

manner in the decision of the case. If, upon investigation of a complaint or other information concerning an attorney or agent, it shall appear to the Solicitor that the grounds for suspension, exclusion from practice, or disbarment exist, he shall prepare and forward the necessary notice and statement."

The requirements for admission to practice before the United States Patent Office make it clear that skill in engineering and scientific matters and familiarity with patent procedures are as necessary as skill in legal matters, and persons who are not attorneys may qualify for admission as agents.

Normally, the practice of law is controlled exclusively by the judiciary. The reason why lawyers are officers of the court, and therefore subject to the control of the court is that they are admitted by order of the court. However, persons admitted to practice of law by the Ohio courts are not thereby qualified or authorized to practice in patent matters before the U.S. Patent Office. This power has been reserved by the United States Constitution to Congress, and in turn by Congress it has been granted only to the Commissioner of Patents. This leaves the Ohio courts in the position of being unable to exercise control over that which they do not have the power to authorize in the first instance.

The case of The Land Title Abstract and Trust Co. v. Dworken, 129 Ohio St., 23, and other cases dealing with practice of law, as distinguished from practice before the United States Patent Office, are not relevant, not being cases in which a superior right has been retained in the federal government by the United States Constitution.

Were the courts of each state to control practice before the United States Patent Office, thus usurping a right to control that which they cannot authorize in the first instance, by considering it to constitute the practice of law within their state; then the courts of the 50 states, by ignoring the provisions of Article VI of the United States Constitution, supra, could render the provisions of Congress in regard to practice before the Patent Office as enacted under the provisions of Article I, Section 8, of the United States Constitution, supra, a nullity.

It is our finding that the Commissioner of Patents, from the standpoint of unauthorized practice, has the exclusive right to determine whether the patent matters, in which Battelle participates through attorneys or agents employed by Battelle, are matters which constitute the business of Battelle due to a direct or primary interest of Battelle therein, or of Battelle by virtue of rights as an assignee as provided for under Title 35, Section 152, or Rule 32, supra, and whether Battelle is engaged in unauthorized practice before the Patent Office.

For the reasons set forth, we conclude that control of practice before the U.S. Patent Office is a superior right vested exclusively by the United States Constitution and by acts of Congress in the Commissioner of Patents, subject to appeal to the federal courts, and the state courts, by virtue of Article VI of the United States Constitution, are bound thereby and precluded from interfering.

There is, however, a distinction to be made between the right of the federal government to control practice in patent matters and the right of a state to control acts of a corporation, incorporated under laws of the state.

The power to authorize persons to incorporate has not been delegated to the United States by the Constitution, nor prohibited by it to the states. Therefore, under the provisions of Amendment X of the United States Constitution, the right to provide for incorporation, and to determine what acts corporations shall be authorized to perform, is reserved to the states respectively. The state legislature, under authority as granted by their respective state constitutions, have the power to determine, by general laws, for what purposes corporations may be formed. The states could prohibit incorporation entirely within their respective limits should they see fit to do so.

Battelle Memorial Institute was incorporated in 1925, under the provisions of Section 10092-1, General Ohio, as a charitable trust not for profit as provided for in the Will of Gordon Battelle, deceased. At the time of incorporation in 1925, Section 8623, of the General Code, was in effect and provided:

> "Except for carrying on professional business, a corporation may be formed for any purpose for which natural persons lawfully may associate themselves."

A similar provision is contained today in Section 1701.03, of the Revised Code, which provides:

> "A corporation may be formed for any purpose or purposes, other than for carrying on the practice of any profession, for which natural persons lawfully may associate themselves, * * *."

It thus appears that the Ohio legislature, which does have the right to enact general laws under which corporations may be formed (Ohio Constitution, Art. 8, Sec. 2),

has, by statute, precluded persons from incorporating for the purpose of carrying on "professional business" or "the practice of any profession." We will not discuss Section 1785.02, Revised Code, since it has no application to the facts of the instant cases.

Section 1701.04, Revised Code, now repealed, referred to in Battelle Memorial Institute's petition, would not be applicable in the instant cases. Section 8623, General Code, and Section 1704.03, Revised Code, have application to all corporations, but Section 1704.04, Revised Code, when in effect, was applicable only to corporations for profit, and would not include Battelle Memorial Institute, a corporation not for profit.

After consideration of this entire matter, we come to the conclusion that there are two ways of questioning the practices of Battelle, the first being to question whether Battelle is engaged in unauthorized practice in patent matters, as to which the exclusive right of control is vested by the United States Constitution in Congress, and, in turn, by act of Congress in the United States Patent Office; and the second being to question whether the acts of Battelle are ultra vires acts which are prohibited under the Ohio statutes governing corporations, which statutes the Ohio legislature has power to enact and the Ohio courts have jurisdiction to enforce.

If the practices of Battelle, carried on through its agents or attorneys, in matters as to which the right of control has been reserved by the United States Constitution and Congress in the Commissioner of Patents, are to be questioned as being unauthorized practice in patent

matters, the proceedings must be brought not before the Ohio courts but in the manner provided for by the acts of Congress passed under authority of Section 8, Article I, of the United States Constitution and Rules of the Patent Commissioner, authorized by acts of Congress, as hereinbefore set forth. This power in the federal government is exclusive and a superior right granted by the United States Constitution to Congress and, in turn, by Congress to the Commissioner of Patents, and the judges in every state are bound thereby.

If the acts of Battelle are to be questioned as being practices which are prohibited to Battelle as a corporation, by virtue of the Ohio statutes governing incorporation, then the action must be brought—

(a) In quo warranto as provided for under the provisions of Section 2733.01 et seq., Revised Code, which action can be commenced only in the Court of Appeals or the Supreme Court of Ohio in the manner as provided by said section.

(b) By a proceeding to enjoin Battelle, as a corporation, from ultra vires practices in an action commenced by persons authorized to practice as agents or attorneys before the United States Patent Office, who have a vested interest to protect.

In the case of Abstract and Trust Co. v. Dworken, 129 Ohio St. 23, the Supreme Court of Ohio, in paragraph seven of the syllabus, held:

"The right to practice law conferred by the state is a special privilege in the nature of a franchise and a possessor thereof may be protected by injunction from invasion of the right thus vested in him."

Practices before the United States Patent Office would not be an invasion of a right vested in an attorney by virtue of his franchise to practice law in Ohio, since such franchise to practice law in Ohio does not authorize practice before the United States Patent Office in patent matters; but from the logic of paragraph seven of the foregoing syllabus, it would follow that the right to practice as an attorney or agent before the United States Patent Office, as granted by the Patent Commissioner, under act of Congress, may confer a special privilege in the nature of a franchise, the possessor of which may seek protection by injunction from the invasion of the right thus vested in him; such action to be brought in a federal court if the invasion to be enjoined is unauthorized practice before the Patent Office, or in the state court of the state of incorporation, if the act is to be enjoined not as unauthorized practice but as the commission of an ultra vires act by a corporation.

We point out the foregoing not to state what can or should be done or to here determine in advance the validity of such proceedings, since to do so would be obiter dicta; but to point out that neither of the instant cases can be considered as quo warranto proceedings because neither was brought in compliance with the Ohio statutes governing such proceedings: also, to point out that if an injunction is sought in Ohio courts it must not be on the ground of unauthorized practice of law, as such, but on the ground that the acts of the corporation are ultra vires and prohibited, and that an injunction proceeding cannot be commenced by attorneys franchised to practice only in Ohio; but must be commenced by agents or attorneys

authorized to practice before the United States Patent Office, who are vested with a franchise right which is being invaded. In neither of the cases before us was there an allegation or evidence that all or any one of the members of the unauthorized practice of law committee against whom the declaratory judgment action was filed, or by whom the application in the unauthorized practice of law action was filed, are franchised to practice as either agents or attorneys in matters before the United States Patent Office.

If an action is brought in Ohio, either by quo warranto proceedings, or by agents or attorneys authorized to practice before the United States Patent Office seeking injunctive relief, the first question will be, whether as to the acts performed, Battelle has a direct or primary interest so as to authorize the performance of the acts by Battelle on its own behalf, as distinguished from acts performed for others. If it is determined that Battelle does not have a direct or primary interest in the acts performed, then the ultimate question will be: Not whether Battelle is engaged in "unauthorized practice of law," but whether Battelle is engaged in "professional business" or the "practice of a profession" within the meaning of Section 8623, General Code, and Section 1701.03, Revised Code.

Neither of the cases herein appealed can meet the requirements of a proceeding in quo warranto, or of a proceeding for injunction commenced by a party having a vested interest alleged to be invaded. Neither case was so treated in the Common Pleas Court and, therefore, in neither case did the Common Pleas Court make any determination of the ultimate issue in such cases, to wit:

Whether the practice complained of was an ultra vires act prohibited to the corporation, within the terms of the Ohio corporation statutes. The cases were filed and considered not under the Ohio statutes governing corporations, but solely from the standpoint of unauthorized practice of law in patent matters as to which the superior right is vested in the United States by the United States Constitution, by the provisions of which the courts of Ohio are bound.

It is our conclusion and finding that in case No. 197,718 in the Common Pleas Court of Franklin County, being case No. 6704 in this court, there was not a proper justiciable issue between proper and necessary parties. It will be ordered that the judgment of the Common Pleas Court be set aside and held for naught, and that the petition of Battelle Memorial Institute, appellant herein, be dismissed at costs of Battelle Memorial Institute.

In case No. 196,819, in the Common Pleas Court of Franklin County, being case No. 6705 in this court, the Common Pleas Court did not have jurisdiction by means of the issue raised and the judgment rendered to interfere with the superior right granted to Congress by the United States Constitution. The action was not a proper one brought by proper and necessary parties and the judgment of the Common Pleas Court is ordered set aside and held for naught, and the application is ordered dismissed at costs of the members of the unauthorized practice committee who filed it.

In case No. 6704, judgment of the Common Pleas Court is set aside and petition dismissed.

In case No. 6705, judgment of the Common Pleas Court is set aside and application dismissed.

McLaughlin, Presiding Judge of the Fifth Appellate District, sitting by designation, concurs.

Hildebrant, Judge of the First Appellate District, sitting by designation, dissents.

(346 Mo. 1038; 144 S.W.2d 146.)

DE PASS vs. B. HARRIS WOOL CO.

No. 36558.

Supreme Court of Missouri, en Banc

Nov. 9, 1940.

Clark, Judge.

Appeal from the circuit court of the City of St. Louis. The petition alleges that: defendant is a Missouri corporation; plaintiff is a duly authorized and licensed practitioner before the Interstate Commerce Commission of the United States; defendant, through its agent, employed plaintiff to represent defendant for a contingent fee in certain rate reduction cases before the Interstate Commerce Commission; plaintiff performed the services and prays judgment for the amount claimed to be due. The contract, which is referred to in the petition, made a part thereof and attached as an exhibit, indicates on its face that it was entered into in Chicago, Illinois.

Defendant filed a demurrer stating: that the alleged contract calls for services which, under the laws of Missouri, amount to the practice of law; that, as plaintiff does not allege himself to be and in fact is not an attorney at law, such contract is against the public policy

of Missouri and our courts will not lend themselves to its enforcement.

The trial court sustained the demurrer. Plaintiff refused to plead further and, judgment being rendered for defendant, appealed.

We shall continue to refer to the parties as plaintiff and defendant rather than appellant and respondent.

Under the constitutional power of the Federal government to regulate commerce among the several states, an Act of Congress has created the Interstate Commerce Commission and given it the right to prescribe rules of practice before it. See 49 U.S.C.A. § 17(1). We judicially note that the Commission has adopted rules whereby, under specified conditions, persons other than attorneys at law may be admitted to practice before it. Rules of Practice before the Commission in Proceedings under the Interstate Commerce Act and Related Acts IB 2(b). Such rules have the force and effect of law. Hiatt v. Wabash R. Co., 334 Mo. 895, 69 S.W.2d 627. Defendant does not dispute the validity of such rules and, by its demurrer, admits that plaintiff has been duly licensed to practice before the Commission. But, while conceding that plaintiff would violate no law by practicing before the Commission, defendant says that the courts of Missouri should not enforce the contract because it calls for services which, under the declared public policy of this state, may not be performed in this state by others than duly licensed attorneys.

As indicating our public policy defendant cites our statute defining the practice of law, Secs. 11692, 11693,

R.S.Mo.1929, Mo.St.Ann. §§ 11692, 11693, pp. 621, 622, and two decisions of this court, Clark v. Austin, 340 Mo. 467, 101 S.W.2d 977; Curry v. Dahlberg, 341 Mo. 897, 110 S.W. 2d 742, 112 S.W.2d 345. The statute provides that none but duly licensed attorneys shall practice law which, in part, is defined as the appearance as an advocate in a representative capacity before "any body, board, committee or commission constituted by law or having authority to settle controversies." In Clark v. Austin, supra, we held in the majority opinion, that the statute is a valid exercise of the police power and confines the practice before the State Public Service Commission to duly licensed attorneys. Curry v. Dahlberg, supra, was a suit on a contract made by two persons neither being licensed to practice law. The defendant, designating himself as a "rate expert" or "commerce expert," employed plaintiff to solicit on a contingent basis claims from shippers against railroads doing intrastate business for overcharges under the state statutes. The contract contemplated action, if necessary, both in State and Federal courts. Defendant employed lawyers to bring suits and, as many of the railroads were in receivership, much of the litigation was in Federal courts. We held the contract against public policy and void because it called for the practice of law by unauthorized persons and also because it was champertous.

In both those cases State law only was considered, no question of Federal law being involved. Also, none of the persons complained of had any license whatever to practice either before a court or commission while in the

instant case the plaintiff was duly licensed to practice before the Commission.

On his claim that we have the right to refuse enforcement of the contract, although it is legal for plaintiff to practice before the Commission, defendant cites: 11 American Jurisprudence, Secs. 125, 126, pp. 411, 413; Thurston v. Rosenfield, 42 Mo. 474, 97 Am.Dec. 351; The Kensington, 183 U.S. 263, 22 S.Ct. 102, 46 L.Ed. 190; Union Trust Co. v. Grosman, 245 U.S. 412, 38 S.Ct. 147, 62 L.Ed. 368; Grosman v. Union Trust Co., 5 Cir. 228 F. 610, Ann.Cas. 1917B, 613; Continental Supply Co. v. Trust Co., 52 N.D. 209, 202 N.W. 404; Campen Bros. v. Stewart, 106 W.Va. 247, 145 S.E. 381; Pope v. Hanke, 155 Ill. 617, 40 N.E. 839, 28 L.R.A. 568; Fox v. Telegraph Co., 138 Wis. 648, 120 N.W. 399, 28 L.R.A.,N.S., 490. The Kensington case involved the question of enforcement in the United States of a contract made in Belgium and all the other authorities cited relate to comity between states of this nation. It may be conceded that, except as otherwise provided by the United States constitution, the laws of a state have no force beyond its boundary; and that this court is under no compulsion to enforce, against the public policy of Missouri, a contract made in another state although valid where made and valid at the place of performance. That is not the question here. We are now considering the effect of a law of the United States the force of which does not stop at the boundary of Missouri. The constitution of the United States (Art. VI) provides: "This Constitution, and the Laws of the United States which shall be made in Pursuance thereof * * * shall be

the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the Contrary notwithstanding." The Interstate Commerce Act, concededly made in pursuance to the Federal constitution, authorizes the Commission to hold sessions in any part of the United States. 49 U.S.C.A. § 19. Plaintiff's contract does not designate the place for the performance of his services. If the Commission should hold sessions in Missouri, under his contract and under his license plaintiff could represent defendant, not as a matter of comity, but by virtue of a law which is just as binding on this court as if it had been enacted by our own General Assembly. Therefore, the performance of plaintiff's contract being legal in Missouri, how can we refuse to enforce it as being against the public policy of Missouri?

However, if the law authorized the Commission to meet in the City of Washington only, we would be compelled to reach the same conclusion. This, for the reason that the Interstate Commerce Act is the law in Missouri as well as in other parts of the United States; that Act authorizes plaintiff to practice before the Commission: being authorized to practice, he is authorized to make a contract for such practice, and, necessarily, such contract would be just as valid if made in Missouri as if made elsewhere. To hold otherwise would put us in the untenable position of denying to our own citizens privileges enjoyed by citizens of other states under a valid law of the United States.

Defendant seems to argue that the right to define the practice of law and to regulate persons engaging in such

practice falls within the police power of the states. So it does, except in so far as that right does not run contra to an Act "made in pursuance" to the Federal constitution.

It is the province of each state to define the practice of law, and to prescribe the qualifications and regulate the conduct of those who may engage in such practice, either in its own tribunals or outside any tribunal. Missouri has adopted a policy that the practice of law and the doing of law business, both in and out of its courts, shall be limited to persons with special qualifications and duly licensed as attorneys. In the main, we think the Federal government is not out of harmony with our policy. It also confines to lawyers the practice of law in its courts, and while it licenses some laymen to practice in some of its administrative bodies, it licenses only those whose moral character and technical knowledge fit them for such practice.

Defendant says: "this state may not, by legislation, judicial action or otherwise, interfere with a Federal function by a Federal commission or instrumentality, but nevertheless it may make paramount its own view of public policy by refusing to enforce contracts it regards as in violation of it." We think there are two answers to that: First, the laws of Missouri do not, and can not, declare a policy contrary to a law which is binding and valid in Missouri; second, our refusal to enforce a contract, made legal by Federal law, would "interfere with the exercise of a Federal function" to some extent, and if all the states should pursue the same course such contracts would be practically nullified.

In other words, our statute declares a policy against, and makes illegal, the practice by laymen before such boards as come within State jurisdiction; but does not affect, or declare a policy against, any right accorded by valid Federal law. The plaintiff's contract is valid under Federal law and that law is binding on the courts of this state.

Plaintiff cites a Massachusetts case (In re Lyon, 16 N.E.2d 74, 77) which, while differing as to facts, we think supports the conclusions we have reached. That was a proceeding to restrain unauthorized persons from practicing law. By paragraphs 9 and 12 of its decree the lower court restrained defendants "from representing creditors in proceedings in bankruptcy and from charging or collecting fees or commissions in or for any action, claim or suit hereafter brought or judgment hereafter to be obtained in the United States District Court." On appeal the supreme court, in substance, said: regulation of professions, such as the law, is primarily a matter of state concern; that the police power does not end merely because such matters may become in some way connected with litigation in Federal courts; that such power may be exercised to the full so long as its exercise in no way interferes with any Federal function; that it is the declared policy of the Commonwealth that only members of the bar should practice law or hold themselves out as authorized to practice law, but that "our policy and our statute must yield to any valid rule, order or established practice of the Federal courts controlling the practice of law in respect to matters within their jurisdiction." The court further said that if it be true that Federal law

permits a layman to make a business of representing creditors to some extent in bankruptcy, the court would not undertake to interfere with the exercise of that privilege. Paragraphs 9 and 12 of the decree were modified by adding a proviso "that they shall not affect the exercise by the respondents of any privilege which they now possess or may acquire under any statute, rule, order or established practice of the Federal government or its courts controlling methods of practice in respect to matters within Federal jurisdiction."

We hold that the trial court erred in sustaining the demurrer to plaintiff's petition, and the judgment is reversed and the case remanded for trial.

All concur.

PER CURIAM.

The foregoing opinion by Clark, J., in Division One, is adopted as the opinion of the Court en Banc.

(301 Mass. 30; 16 N.E.2d 74.)

In re Lyon et al.

Supreme Judicial Court of Massachusetts.

Suffolk.

June 30, 1938.

QUA, Justice.

The single justice has reported for determination by the full court the questions whether an order made by him for final disposition of the cause is "too broad" as to the relief granted in certain respects hereinafter discussed.

By G.L.(Ter.Ed.) c. 221, § 46B, inserted by St.1935, c. 346, § 2, jurisdiction is expressly conferred upon this court upon petition of the Attorney General to restrain the practice of law by corporations or associations or by individuals who are not members of the bar in good standing. See, also, sections 46 and 46A, as inserted by St.1935, c. 346, §§ 1, 2; Opinion of the Justices, 279 Mass. 607, 180 N.E. 725, 81 A.L.R. 1059, and Opinion of the Justices, 289 Mass. 607, 194 N.E. 313. The respondents are not attorneys at law. They maintain a collection agency. They employ persons to solicit accounts from business houses and individuals. The single justice found, solely for the purpose of enabling the court to enter such order or judgment as might be warranted as matter of law, that the respondents maintain a legal department and furnish and render services requiring legal knowledge and skill. It is unnecessary to recite their activities in further detail, as for the purposes of this case it is plain that they must be taken to have been practising law unlawfully. In re Shoe Manufacturers Protective Association, Inc., Mass., 3 N.E.2d 746. By the terms of the order of the single justice the respondents are to be restrained from practising law in any form, directly or indirectly, through agents or otherwise, from representing themselves as having the right to practise, from supplying legal services, and from collecting any attorneys' fees for their own use. There are further more specific prohibitions in connection with some of which the questions reported arise.

By paragraph 8 of the order the respondents are to be restrained from threatening, expressly or by implication, legal action against debtors, to be brought either

by themselves or by their patrons. They concede that they cannot threaten that they themselves will bring suit, but insist that they should not be prevented from threatening that their patron, the creditor, will do so.

To determine whether a law suit may properly be commenced, and therefore whether it is justifiable to threaten to commence it, requires special knowledge of the legal elements constituting a cause of action. To make a business of acting for or advising others in these matters partakes of the practice of law. On the other hand, a creditor may bring an action himself without the intervention of a member of the bar. G.L.(Ter.Ed.) c. 221, § 48, and of course may decide whether or not he will do so or threaten to do so. And an individual may act through agents. See section 49. We think, therefore, that the respondents cannot on their own initiative threaten that one of their patrons will bring suit, nor can they advise him to make such threat. But we think they may at his express direction and acting solely as his agents or mouthpiece, without making any decisions of their own, and in a manner lawful in other respects, threaten that their patron will bring suit. Even if this is done habitually at the direction of various patrons it does not seem to us to involve the practice of law.

Paragraphs 9 and 12 may be considered together. The respondents contend that these paragraphs are too broad in prohibiting the respondents from representing creditors in proceedings in bankruptcy and from charging or collecting fees or commissions in and for any action, claim, or suit hereafter brought or judgment hereafter to be obtained "in the United States District Court."

The discussion on this point starts with the premise that we have neither power nor inclination to interfere in any way with proceedings in Federal courts, or before officers appointed by them. We further concede fully the Federal power finally to determine who shall practice law before these courts or officers. Matter of Ulmer, 268 Mass. 373, 393, 167 N.E. 749. But we are not satisfied that this ends the matter. The regulation in the public interest of occupations and professions such as those of law, medicine and others which, if uncontrolled, may develop methods and practices inimical to the public welfare, is historically and logically, and we think also legally, a matter primarily of State concern. Practice as an attorney in bankruptcy and other litigation in Federal courts commonly is not confined to acts performed in court or before judicial officers. See Opinion of the Justices, 289 Mass. 607, 613, 194 N.E. 313. Ordinarily it involves the maintenance of a place of business and the doing of acts similar to and concurrent with those done in relation to proceedings in State courts. When such practice is carried on by unauthorized persons the resulting evils are the same and reach out into the community in the same way as if the subject matter related to litigation in State courts. It would be almost impossible to separate the practice of law by persons practising in both jurisdictions into two watertight compartments, and regulation based upon an attempt to do so involving joint or complementary action by each jurisdiction as to each item of conduct would be weak and ineffectual. This Commonwealth and other States maintain elaborate machinery for ascertaining the qualifications of applicants for admission to the bar. G.L.(Ter.Ed.) c. 221, §§ 35-37. The

Federal courts, on the other hand, commonly rely to a large extent upon the evidence of qualification furnished by admission to practise in the State. See, for example, Rule 2 of the Supreme Court of the United States (1928), 28 U.S.C.A. following section 353, and Rule 3 of the District Court of the United States for the District of Massachusetts (1931, as amended 1934). The police power of the State to deal with matters of public morality and security against fraud, malpractice and injustice does not come to an end merely because such matters may become in some way connected with litigation in Federal courts. That power may be exercised to the full so long as its exercise in no way interferes with any Federal function.

It is the declared policy of this Commonwealth that only members of its bar should practise law or hold themselves out as authorized to practise law. G.L.(Ter. Ed.) c. 221, § 46A, as inserted by St.1935, c. 346, § 2. We understand not that the Federal government has adopted any policy in conflict with this, but rather that within its sphere, it pursues a similar policy of its own. U.S.Rev.Sts. § 747, U.S.C.Title 28, § 394, 28 U.S.C.A. § 394. And it is settled that in the matter of disbarment of an attorney either jurisdiction will give great weight to action taken by the other. Selling v. Radford, 243 U.S. 46, 37 S.Ct. 377, 61 L.Ed. 585, Ann.Cas.1917D, 569; Matter of Ulmer, 268 Mass. 373, 400, 167 N.E. 749. We concede that our policy and our statute must yield to any valid rule, order or established practice of the Federal courts controlling the practice of law in respect to matters within their jurisdiction, but we see no reason why our policy or statute should give way in favor of persons

who seek to escape State regulation of the practice of law on the ground that their practice is within the field of Federal jurisdiction, when they are not authorized to practise in that jurisdiction. Within these limits enforcement of our act according to its terms does not interfere with any Federal function. But, if it be true, as the respondents contend, that Federal law permits a layman to make a business of representing creditors to some extent in bankruptcy proceedings, we do not undertake to interfere with the exercise of that privilege. The Federal decisions are not uniform as to the existence of the privilege. In re Mayflower Hat Co., 2 Cir., 65 F.2d 330; In re H. E. Ploof Machinery Co., D.C., 243 F. 421; In re Looney, D.C., 262 F. 209; In re N. S. Dalsimer & Co., Inc., D.C., 56 F.2d 644; Rinderknecht v. Toledo Association of Credit Men, D.C., 13 F.Supp. 555.

Our conclusion on this branch of the case finds support in Depew v. Wichita Association of Credit Men, 142 Kan. 403, 414-416, 49 P.2d 1041, certiorari denied 297 U.S. 710, 56 S.Ct. 574, 80 L.Ed. 997; Richmond Association of Credit Men, Inc., v. Bar Association of City of Richmond, 167 Va. 327, 342-345, 189 S.E. 153, and L. Meisel & Co. v. National Jewelers' Board of Trade, 90 Misc. 19, 152 N.Y.S. 913, affirmed 173 App.Div. 889, 157 N.Y.S. 1133.

The references to proceedings in bankruptcy and to the District Court of the United States will remain in paragraphs 9 and 12 of the order, but the wording of those paragraphs will be modified by adding a statement or proviso that they shall not affect the exercise by the respondents of any privilege which they now possess or may acquire under any statute, rule, order or established

practice of the Federal government or of its courts controlling methods of practice in respect to matters within Federal jurisdiction.

The thirteenth paragraph of the order ought not to have restrained the respondents from forwarding claims for collection, at the request and as the mere agents of the patron, to attorneys at law selected by the patron and between whom and the patron the full and direct relation of attorney and client shall exist. The respondents must not in any sense interpose themselves between the patron and his lawyer. They must not control the lawyer's conduct of the matters in his charge, or give him directions, or "split fees" with him, or receive any commission upon his fees or hold him out as their attorney. In re Maclub of America, Inc., Mass., 3 N.E.2d 272, 105 A.L.R. 1360; In re Shoe Manufacturers Protective Association, Inc., Mass., 3 N.E.2d 746; In re Thibodeau, Mass., 3 N.E.2d 749, 106 A.L.R. 542.

There is no occasion for express limitation of the acts prohibited to such as are performed within this Commonwealth. We do not undertake to regulate the practice of law in other States. Neither do we intend that our decrees regulating practice here shall be frustrated by anything which the respondents may do elsewhere in so far as we have jurisdiction to prevent it. The decree to be entered must be construed reasonably and enforced as occasion may arise in conformity with established principles.

The order of the single justice is to be modified in accordance with this opinion.

Ordered accordingly.

Appendix D

Portions of petitioner's "Answer and Defenses" and supporting brief below.

"Answer and Defenses"

"'. . . That on January 12, 1928, the respondent was admitted to practice before the United States Patent Office as a 'Patent Attorney' being registration No. 12,529" (Tr. 34).

"[Petitioner's] Brief"

* * *

B. The State of Florida Cannot Regulate the Activities of Practitioners Before Federal Administrative Agencies Who Are Not Lawyers.

Both lawyers and non-lawyers are entitled to practice before many federal administrative agencies. This is true of the United States Patent Office as it is provided in 35 U.S.C.A. § 31 that:

> "The Commissioner, subject to the approval of the Secretary of Commerce, may prescribe regulations governing the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Patent Office, and may require them, before being recognized as representatives of applicants or other persons, to show that they are of good moral character and reputation and are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office."

The Rules of the Commissioner of Patents implementing this Statute as to patents are as follows:

"(a) *Attorneys at Law.* Any attorney at law in good standing admitted to practice before any United States Court or the highest court of any State or Territory of the United States who fulfills the requirements and complies with the provisions of these rules may be admitted to practice before the Patent Office and have his name entered on the register of attorneys.

"(b) *Agents.* Any citizen of the United States not an attorney at law who fulfills the requirements and complies with the provisions of these rules may be admitted to practice before the Patent Office and have his name entered on the register of agents."

(Tr. 50-51.)

* * *

The Courts of various states have held that they had no authority to prohibit the representation of citizens of those states before federal administrative agencies by non-lawyers. Of first importance among these cases is the decision of *Chicago Bar Association v. Kellogg,* 88 N.E. 2d 519 (Illinois Appellate Court 1949). There the defendant had the same status as the Respondent in this case. The Chicago Bar Association was attempting to prevent the defendant from engaging in the same activity as the Petitioner here seeks to enjoin the Respondent from performing. In reversing the lower court, the Appellate Court spelled out the following decree:

"Accordingly, the decree of the Superior Court is reversed and the cause is remanded with directions to enter a decree *which shall be without prejudice to defendant's rights to advise and assist applicants for patents in the presentation and prosecution of their applications for patents before the United States*

Patent Office, but which shall enjoin the defendant from the following activities:

"1. Giving legal advice;

"2. Preparing, drafting and construing legal documents, contracts, including patent licenses and deeds, assignments and other evidences of transfer of title to or interests in patent and other property;

"3. Rendering legal opinions, including legal opinions relating to title to, and validity, infringement and enforcement of, patents and trade marks and rights therein and thereto;

"4. Preparing, drafting and filing pleadings and other legal documents and papers in suits at law and in equity, in courts of record and before administrative tribunals, other than the Patent Office;

"5. Participating, as an attorney, in legal proceedings;

"6. In behalf of persons represented by him, threatening to bring suit against other parties;

"7. Preparing and serving notice of and asserting attorney's lien under Section 14 of Chapter 13, Illinois Revised Statutes;

"8. Charging and collecting fees for legal services rendered by him and rendered by him and others." (emphasis supplied)

The clear thrust of this case is that the Illinois Court would not prevent the defendant from preparing and prosecuting patent applications before the United States Patent Office.

Various jurisdictions have refused to prevent persons not admitted to the Bar from representing citizens of the

state before federal administrative agencies when the practitioner was admitted to practice before the agency. The basis of these decisions is that it is not within the power of the state to prescribe who can practice before a federal administrative agency.

In the case of *De Pass v. B. Harris Wool Co.*, 144 S.W. 2d 146 (Supreme Court of Mo. 1940), the plaintiff, a non-lawyer, authorized to practice before the Interstate Commerce Commission, filed suit on a contract against the defendant who had employed him to represent the defendant on a contingent fee basis in rate production cases before the Interstate Commerce Commission. The defendant offered as its defense that the contract was void as against public policy as the plaintiff was not an attorney licensed to practice in the State of Missouri and hence performing of the services would be the unauthorized practice of law. In reversing the lower court's order sustaining the defendant's demurrer to the plaintiff's petition, the Appellate Court, the Supreme Court of Missouri, first observed:

> "Under the constitutional power of the Federal government to regulate commerce among the several states, an Act of Congress has created the Interstate Commerce Commission and given it the right to prescribe rules of practice before it. See 49 U.S.C.A. § 17(1). We judicially note that the Commission has adopted rules whereby, under specified conditions, persons other than attorneys at law may be admitted to practice before it. Rules of Practice before the Commission in Proceedings under the Interstate Commerce Act and Related Acts 1B 2(b). Such rules have the force and effect of law."

Then the Court said:

"It may be conceded that, except as otherwise provided by the United States Constitution, the laws of a state have no force beyond its boundary: and that this court is under no compulsion to enforce, against the public policy of Missouri, a contract made in another state although valid where made and valid at the place of performance. That is not the question here. We are now considering the effect of a law of the United States the force of which does not stop at the boundary of Missouri. The constitution of the United States (Art. VI) provides: 'This Constitution, and the Laws of the United States which shall be made in Pursuance thereof * * * shall be the supreme Law of the Land: and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the Contrary notwithstanding.' The Interstate Commerce Act, concededly made in pursuance to the Federal constitution, authorizes the Commission to hold sessions in any part of the United States. 49 U.S.C.A. § 19. Plaintiff's contract does not designate the place for the performance of his services. If the Commission should hold sessions in Missouri, under his contract and under his license plaintiff could represent defendant, not as a matter of comity, but by virtue of a law which is just as binding on this court as if it had been enacted by our own General Assembly. Therefore, the performance of plaintiff's contract being legal in Missouri, how can we refuse to enforce it as being against the public policy of Missouri?

"However, if the law authorized the Commission to meet in the City of Washington only, we would be compelled to reach the same conclusion. This, for the reason that the Interstate Commerce Act is the law in

Missouri as well as in other parts of the United States; that Act authorizes plaintiff to practice before the Commission; being authorized to practice, he is authorized to make a contract for such practice; and, necessarily, such contract would be just as valid if made in Missouri as if made elsewhere. To hold otherwise would put us in the untenable position of denying to our own citizens privileges enjoyed by citizens of other states under a valid law of the United States.

"[4] Defendant seems to argue that the right to define the practice of law and to regulate persons engaging in such practice falls within the police power of the state. So it does, except in so far as that right does not run contra to an Act 'made in pursuance' to the Federal constitution.

"[5, 6] It is the province of each state to define the practice of law, and to prescribe the qualifications and regulate the conduct of those who may engage in such practice, either in its own tribunals or outside any tribunal. Missouri has adopted a policy that the practice of law and the doing of law business, both in and out of its courts, shall be limited to persons with special qualifications and duly licensed as attorneys. In the main, we think, the Federal government is not out of harmony with our policy. It also confines to lawyers the practice of law in its courts; and, while it licenses some laymen to practice in some of its administrative bodies, it licenses only those whose moral character and technical knowledge fit them for such practice."

In the case of *Auerbacher v. Wood*, 53 A.2d 800 (Court of Chancery of N. J. 1947), plaintiffs in behalf of a certain county bar association in the State of New Jersey

brought suit against the defendant to enjoin him from the unauthorized practice of law. There the Court was faced with the problem of injunction against a labor consultant who practiced regularly before the National Labor Relations Board. The Court categorically foreclosed the authority of the State of New Jersey to deal with the question of who can practice before a federal administrative agency. It said:

> "Defendant also offers to represent the employer before administrative agencies of the federal government, especially before trial examiners of the National Labor Relations Board. An agency of the federal government, acting by virtue of an authority granted by the Congress, may regulate the representation of parties before such agency. In re Lyon, 301 Mass. 30, 16 N.E.2d 74. The State of New Jersey is without power to interfere with such determination or to forbid representation before the agency by one whom the agency admits. The rules of the National Labor Relations Board give to a party the right to appear 'in person, or by counsel, or by other representative.' Rules and Regulations, September 11, 1946, § 203.31. 'Counsel' here means a licensed attorney, and 'other representative' one not a lawyer. In this phase of his work, defendant may lawfully do whatever the Labor Board allows, even arguing questions purely legal.
>
> "It does not appear that the defendant's activities, actual or contemplated, constitute the unlawful practice of law, and so the bill must be dismissed."

In the case of *In re Lyon*, 16 N.E.2d 74 (Supreme Judicial Court of Mass. 1938), the question was presented to the Court of whether a layman could practice before the Bankruptcy Referee of the Federal District Court

within the State of Massachusetts. In enjoining the defendant, the Court asserted:

> "The police power of the State to deal with matters of public morality and security against fraud, malpractice and injustice does not come to an end merely because such matters may become in some way connected with litigation in Federal courts. That power may be exercised to the full so long as its exercise in no way interferes with any Federal function."

Then the Court said:

> "We concede that our policy and our statute must yield to any valid rule, order or established practice of the Federal courts controlling the practice of law in respect to matters within their jurisdiction, but we see no reason why our policy or statute should give way in favor of persons who seek to escape State regulation of the practice of law on the ground that their practice is within the field of Federal jurisdiction, when they are not authorized to practise in that jurisdiction." (p. 77)

We submit that the ruling of this case is that the respondent may practice within the Federal system without control when he has complied with the requirements of that system.

In the case of *Noble v. Hunt*, 99 S.E.2d 345 (Ga. Ct. App. 1957), the Court was presented with a suit by the plaintiff to recover for services rendered to the defendant as a certified public accountant. The defendant sought to defend on the theory that the plaintiff was seeking the recovery of fees for legal services and hence not being licensed as a lawyer was prevented from recovering for those services. The Georgia court summarily disposed of this argument in the following language:

> "All the proceedings in which the defendant was involved, and in which the plaintiff *represented* him, were before either the U. S. Treasury Department or the Tax Court of the United States, both of which allow qualified persons, other than attorneys at law, to represent clients in proceedings therein. Therefore, the contention that the plaintiff was seeking to recover for services performed as an attorney at law without being licensed is without merit." (p. 348)

When a federal administrative agency affords a non-lawyer the privilege of practicing before it the various states should not superimpose the requirement that a non-lawyer become a lawyer before he can practice before that agency. The federal administrative agency invariably exacts its own standards as to moral fitness and competence to practice before that agency. The United States Patent Office has demanding and precise standards governing the admission to practice before that agency and for policing the conduct of those admitted to practice before it. 37 C.F.R., Part 1, §§ 341-348.

Carried to its logical extreme, the position of the Petitioner is that despite the federal approval of non-lawyer by the federal administrative agency as a practitioner before it, the several states can impose an additional requirement: that that person become admitted to practice before the Courts of the state as an attorney. This requirement, if exacted by all of the several states, would make the category of patent agent and any other non-lawyer practitioner before such an agency a meaningless and empty status. The states, by such action, would deny what the federal government specifically sought to provide. (Tr. 52-59)

• • •

It is submitted that as the United States Patent Office has provided standards for the acceptability of non-lawyers as practitioners before it, that the State of Florida cannot and should not alter those standards. Surely some area of legitimate activity should be afforded to Respondent without requiring him to become a lawyer. The filing and processing of patent applications for Florida citizens would seem to be an appropriate area. (Tr. 60)

* * *

II.

PREVENTING THE RESPONDENT FROM REPRESENTING FLORIDA CITIZENS BEFORE THE UNITED STATES PATENT OFFICE BY REQUIRING HIM TO BE A MEMBER OF THE FLORIDA BAR WILL DEPRIVE THE RESPONDENT OF DUE PROCESS OF LAW UNDER THE FIFTH AND FOURTEENTH AMENDMENTS TO THE CONSTITUTION OF THE UNITED STATES.

The Constitution of the United States provides in Article I, Section 8, Clause 8, that the Congress shall have power

> ". . . to promote the progress of science and useful arts, by securing for limited times to authors and inventors, the exclusive right to their respective writings and discoveries."

Pursuant to this Constitutional mandate the Congress of the United States established the United States Patent Office as a Division of the Department of Commerce. 35 U.S.C.A., Sec. 1, et seq. As part of its statutory scheme Congress empowered the Commissioner of Patents to establish regulations covering the "recognition and conduct of agents, attorneys and other persons representing

applicants or other parties before the Patent Office . . ." Under this authority the Commissioner of Patents promulgated certain regulations hereinbefore referred to (37 C.F.R., Part 1, Sec. 1.341-348), which provide for the registration of attorneys at law and agents as persons permitted to practice before the United States Patent Office. These regulations have the force and effect of law. *In re Briley's Estate*, 21 So.2d 595 (Supreme Court of Florida 1945) . . . (Tr. 66-67)

* * *

In matters exclusively reserved to the Congress of the United States, the Federal power is supreme. Article I, Section 8, Clause 8 is one of the enumerated powers of Congress. The State of Florida enjoys no concurrent power with the Federal Government to regulate matters within the field of patents. More specifically, the State of Florida cannot add a requirement to those established by the United States Patent Office to define who may practice before that Office. See cases cited under Point I, subsection B of this Brief. The application of Section 2, Article II, Integration Rule of the Supreme Court of Florida or Florida Statutes, Section 453.23, to require the Respondent to become a member of the Florida Bar before engaging in the practice he now enjoys before the United States Patent Office, would render them unconstitutional in application in that such construction would deprive the Respondent of due process of law within the meaning of the Fifth and Fourteenth Amendments of the Constitution of the United States. (Tr. 68-69)

* * *

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1962

No. 322

ALEXANDER T. SPERRY, *Petitioner*,

vs.

STATE OF FLORIDA, ex rel., THE FLORIDA BAR,
Respondent.

**On Petition For a Writ of Certiorari
To The Supreme Court of Florida**

BRIEF OF AMICUS CURIAE, ASSOCIATION OF INTERSTATE COMMERCE COMMISSION PRACTITIONERS, IN SUPPORT OF PETITION

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IN THE

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BRIEF OF AMICUS CURIAE. ASSOCIATION OF INTERSTATE COMMERCE COMMISSION PRACTITIONERS. IN SUPPORT OF PETITION

The Association of Interstate Commerce Commission Practitioners, appearing as *amicus curiae* with the consent of the parties, files this brief in support of the Petition for a Writ of Certiorari.

Interest of Amicus Curiae

The Association of Interstate Commerce Commission Practitioners is a voluntary association whose object, as stated in its Constitution, is, in part,

> "to promote the proper administration of the Interstate Commerce Act and related acts; [and] to uphold the honor of practice before the Interstate Commerce Commission."

Membership in the Association is open to any person who has been granted a certificate by the Interstate Commerce Commission to practice before it and to members of the regulatory bodies of the several states and the District of Columbia. Members of the Interstate Commerce Commission are honorary members of the Association. The present membership of the Association includes 3,957 persons who have been admitted to practice before the Commission.

The Interstate Commerce Commission, in the exercise of its statutory authority,[1] had adopted regulations[2] governing admission to practice before it, including a code of ethics and provisions for denial of admission, censure, suspension, or disbarment of practitioners. Like the United States Patent Office and certain other federal offices and agencies, the Interstate Commerce Commission admits to practice before it, not only attorneys-at-law, but other persons who are found to possess the necessary qualifications. As of June 30, 1961, 19,705 attorneys and 9,334 non-lawyers had been

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[1] 49 U.S.C. § 17(3); Goldsmith v. United States Board of Tax Appeals, 270 U.S. 117, 46 S. Ct. 215, 70 L. ed. 494 (1926).

[2] General Rules of Practice, §§ 1.7-1.13, Appendix A, 27 F.R. 7520-1, 7534-7.

admitted to practice before the Commission.[3] The membership of the Association includes non-lawyer practitioners residing in every state of the United States except three (Hawaii, Nevada and Vermont).

Since the question presented in this case involves the right of the states to interfere with, or prohibit, practice by non-lawyers before a federal office or agency to which they have been admitted to practice, the Association has a vital interest in the determination of the question, not only because of its effect upon the non-lawyer members of the Association, but also because of its effect upon the administration of the Interstate Commerce Act and related acts.

ARGUMENT

1. The Question Presented Is of Widespread Public Importance

The question presented for review has serious and far-reaching implications.

a. On its face, it involves a delicate problem of adjustment in federal-state relations. A state, in the exercise of its undoubted power to regulate the practice of law within its boundaries, has undertaken to prohibit, by injunction, activities which have been authorized by an agency of the United States in the exercise of its statutory power to regulate practice before it. Obviously, one or the other must give way, or a basis for accommodation must be found.

b. The problem, and its solution, concern, not just one state and one federal agency, but all of the states and several federal agencies. It is common knowledge that the American Bar Association and state bar asso-

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[3] SEVENTY-FIFTH ANNUAL REPORT, INTERSTATE COMMERCE COMMISSION (1961), p. 172.

ciations throughout the country have been active for years in an endeavor to control the unauthorized practice of law—and practice by non-lawyers before administrative agencies has been the object of repeated scrutiny.[4] While the states have adopted a variety of solutions with respect to practice before their own administrative agencies,[5] a number of federal agencies, in addition to the Patent Office, authorize non-lawyers, who meet their qualifications, to practice before them. As noted previously, the Interstate Commerce Commission has admitted over 9,000 non-lawyers to practice before it. In addition, both the United States Treasury Department[6] and the Tax Court of the United States[7] admit qualified non-lawyers to practice, but no statistics are published as to the numbers so admitted. Litigants before these agencies undoubtedly number in the thousands each year, and the personal and business interests affected by their rulings are unquestionably identified with every state in the nation.

c. The currency of the question is clearly evidenced by the fact that, in a period of less than three months in the Spring of 1962, appellate courts in three states decided cases involving the right of non-lawyers to practice before two federal agencies. In addition to the decision of the Supreme Court of Florida in the instant case (dated April 4, 1962) and the decision of the Ohio

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[4] See, for example, vom Bauer, *Administrative Agencies and Unauthorized Practice of Law*, 48 A.B.A.J. 715 (August, 1962); Robinson, *Appearances by Laymen in a Representative Capacity before Administrative Bodies*, 5 LAW & CONTEMP. PROB. 89 (1938).

[5] See, for example, *Comment*, 35 MICH. L.R. 442 (1937).

[6] 31 C.F.R. §§ 10.2 *et seq.*

[7] 26 C.F.R. § 701.2.

Court of Appeals in the *Battelle* case[8] (dated February 13, 1962), both of which involved practice before the Patent Office, the Supreme Court of Wisconsin, on May 1, 1962, handed down its decision in a case strikingly similar to the instant case, but involving a nonlawyer practitioner before the Interstate Commerce Commission.[9] Clearly, the question is one of current and widespread interest.

2. The Law On the Question Is In Doubt and Should Be Settled

a. The decisions of the state courts on the question here presented are highly divergent, both in rationale and result. The four reported cases involving practice before the Interstate Commerce Commission will serve to illustrate the conflicts.

(i) In the most recent,[10] the Attorney General of Wisconsin, on relation of the State Bar, brought a *quo warranto* proceeding against Keller, alleging that, although not a member of the Wisconsin bar, he was engaging in activities which constituted the practice of law. Keller answered that he was a licensed practitioner before the Interstate Commerce Commission and the Public Service Commission of Indiana; that he was authorized to practice before the Wisconsin Public Service Commission; and that many of the activities alleged in the complaint were incidental to his representation of clients in interstate-commerce matters. The State demurred to the answer, and, on respond-

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[8] Battelle Memorial Institute v. Green et al., 133 U.S.P.Q. 49, reprinted in Appendix C to Petition herein.

[9] State ex rel. State Bar of Wisconsin v. Keller, 114 N.W. 2d 796, discussed *infra*.

[10] State ex rel. State Bar of Wisconsin v. Keller, *supra*.

ent's motion for summary judgment, the circuit court dismissed for want of jurisdiction over the subject matter. On appeal, the State Supreme Court, after holding that the lower court had erred as to the scope of its jurisdiction, decided that, since there were no substantial issues of fact involved, it could properly dispose of the case on the merits. In so doing, it concluded that Keller had been engaged in unauthorized practice of law and directed that an injunction issue restraining him—

> "(a) from the giving of legal advice and instruction to clients to inform them of their rights and obligations;
>
> "(b) from the preparation for clients of documents requiring knowledge of legal principles not possessed by ordinary laymen; and
>
> "(c) from appearing as an advocate asserting legal rights for a client before public tribunals which possess power and authority to determine the rights of such clients according to law."[11]

In the course of its opinion, the Court said:[12]

> "* * * the Public Service Commission [of Wisconsin] may countenance appearances before it by laymen but it may not by any rule or otherwise empower any person not licensed to practice law to practice it, or to grant immunity to one who does.
>
> "We hold, further, that the alleged lawfulness of respondent to engage in similar activities in other jurisdictions, such as in the State of Indiana or before the Interstate Commerce Commission, is immaterial in the case at bar. * * * Foreign

[11] 114 N.W. 2d at pp. 802-3.

[12] *Id.*, at p. 801.

> bodies can no more authorize persons unlicensed in this state to practice law here than could the Public Service Commission of Wisconsin."

(ii) This decision contrasts sharply with that of the Supreme Court of Missouri in the *De Pass* case, discussed[13] and reprinted[14] in the Petition herein, where the Court held valid a contract under which the plaintiff, a non-lawyer practitioner before the Interstate Commerce Commission, had undertaken to represent the defendant in proceedings before that agency. The Court commented:[15]

> "Defendant seems to argue that the right to define the practice of law and to regulate persons engaging in such practice falls within the police power of the states. So it does, except in so far as that right does not run contra to an Act 'made in pursuance' to the Federal constitution.
>
> * * * * * * * * *
>
> The plaintiff's contract is valid under Federal law and that law is binding on the courts of this state."

(iii) In a third case,[16] the Ohio Court of Appeals held unlawful and void a contract under which the plaintiff had been employed to audit defendant's freight bills; to prepare, file, prosecute and adjust claims arising thereunder; and to take all necessary steps to effect reductions in the rates and classifications applicable to defendant's shipments. Plaintiff's activ-

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[13] At pp. 18-9.

[14] Appendix C, pp. 52-9.

[15] *Id.*, at pp. 56-7, 58.

[16] Public Service Traffic Bureau, Inc. v. Haworth Marble Co., 40 O. App. 255, 178 N.E. 703 (Ct. App. Ohio, 1931).

rties in performing the contract had included negotiations with, and the filing of a complaint with, the Interstate Commerce Commission. The Court apparently found no illegality in the services actually performed by plaintiff under the contract; on the contrary, it accepted plaintiff's contention that practice before an administrative body, as distinguished from a judicial body, does not constitute the practice of law, noting that practice before the Interstate Commerce Commission and certain other federal administrative agencies is not confined to attorneys. But it concluded that the contract contemplated the eventual prosecution of claims in courts of law, a service which plaintiff corporation could not lawfully perform,[17] and that the contract was, therefore, unenforceable.

(iv) The fourth case[18] was an action to enjoin two corporations and certain individuals from continuing activities alleged to constitute unauthorized practice of law. One of the corporations undertook to provide a complete service to motor carriers in connection with regulatory matters before both the State commission and the Interstate Commerce Commission. Matters before the latter agency were handled, for the corporation's customers, by a full-time employee of the corporation who was a registered, non-lawyer practitioner before that agency. The Court held that it could not enjoin the individual from continuing to practice before the Interstate Commerce Commission, stating,[19]

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[17] The rules of practice of the Interstate Commerce Commission do not permit corporations to practice before it in a representative capacity 27 F.R. 7520, § 1.7.

[18] Blair et al. v. Motor Carriers Service Bureau, Inc., et al., 40 Pa. D. & C. 413 (Phila. County, 1939).

[19] *Id.* at p. 426.

> "A proper regard for the prerogatives of an important Federal administrative tribunal should prevent the issuance of an injunction restraining one from doing precisely that which such a tribunal has seen fit to authorize him to do."

But it did enjoin the corporation from holding itself out to provide such services or from engaging individuals to represent its customers before such agencies.

These four cases, particularly when considered in conjunction with the decision of the Florida Supreme Court in the instant case, illustrate the sharp conflicts, in reasoning and results, to be found in the decisions of the state courts on the question here presented.

b. Since the question is, by its very nature, one which affects an important and delicate area of federal-state relations, it can be answered, in the last analysis, only by this Court. Continued uncertainty as to the law on the question can only result in continuing, and probably growing, tensions in this sensitive area, and in further litigation. And a review of the cases discussed and cited in the Petition and above is enough to dash any hope that further litigation will, in the absence of a guiding decision by this Court, produce the needed consistency and certainty in the law on the question.

3. This Case Is An Ideal Vehicle For Determination of the Law On the Question

Few, if any, of the cases which have arisen in the past present the federal question as sharply and cleanly as does the instant case. Here, the question is not obscured or complicated by problems of corporation practice or solicitation, interpretation of contracts, or other problems of state law, which might, in the future, confuse analysis and understanding of the Court's de-

cision. As a result, the case provides an unusual opportunity to meet the question squarely and to settle the law on it.

4. The Decision Below Is In Apparent Conflict With Constitutional Principles

At this stage in our history, it would seem axiomatic that a state may not interfere with, much less prohibit, a valid exercise of federal powers. Certainly, a direct interference with the lawful operations of a federal officer or agency runs afoul of the Supremacy Clause of the Constitution.[20] But one short step removed—and still within the constitutional ban—is an interference with, or prohibition of, acts by a citizen which have been lawfully authorized by a federal officer or agency.[21] And the step is a shorter one when the citizen may be said to be an "officer" of that agency (in the same sense that an attorney is an officer of a court before which he has been admitted to practice).

Here, the Supreme Court of Florida, without questioning the power of the United States Commissioner of Patents to regulate practice before the Patent Office or the validity of the regulations adopted by him for that purpose, has undertaken to enjoin petitioner from engaging, in the State of Florida, in activities which

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[20] Art. VI, cl. 2. Mayo v. U.S., 319 U.S. 441, 63 S. Ct. 1137, 87 L. ed. 1504 (1943), *rehearing denied*, 320 U.S. 810, 64 S. Ct. 27, 88 L. ed. 489 (1943); Johnson v. Maryland, 254 U.S. 51, 41 S. Ct. 16, 65 L. ed. 126 (1920); Easton v. Iowa, 188 U.S. 220, 23 S. Ct. 288, 47 L. ed. 452 (1903); Ohio v. Thomas, 173 U.S. 276, 19 S. Ct. 453, 43 L. ed. 699 (1899); Tennessee v. Davis, 100 U.S. 257, 25 L. ed. 648 (1880).

[21] Miller v. Arkansas, 352 U.S. 187, 77 S. Ct. 257, 1 L. ed. 2d 231 (1956).

he is authorized to perform, as a registered practitioner before the Patent Office, by the regulations of the Commissioner. That such a prohibition would not only curtail the activities of petitioner and other non-lawyer practitioners in Florida, but would impede the operations of the Patent Office itself, particularly if extended to non-lawyer practitioners in other states, can hardly be questioned. On its face, therefore, the decision below appears to assert the supremacy of state over federal authority, in contravention of the Supremacy Clause of the Constitution.

CONCLUSION

For the reasons stated, the Petition for a Writ of Certiorari herein should be granted.

Respectfully submitted,

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NUEL D. BELNAP,
Of Counsel.

Dated: September 5, 1962

CERTIFICATE OF SERVICE

I, D .W. Markham, one of the attorneys for the Association of Interstate Commerce Commission Practitioners, *amicus curiae* herein, and a member of the Bar of the Supreme Court of the United States, hereby certify that, on the 5th day of September, 1962, I served copies of the foregoing brief on the petitioner and respondent herein by mailing copies, in duly addressed envelopes, with airmail postage prepaid, to their respective attorneys, as follows:

To Oscar A. Mellin, Esq.,
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September 5, 1962.

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Brief of American Association of Registered Patent Attorneys and Agents and of Committee for Southern California Patent Practitioners, Not Members of the California Bar, as Amici Curiae.

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By consent of the petitioner and the respondent, the American Association of Registered Patent Attorneys and Agents, and the Committee for Southern California Patent Practitioners, Not Members of the California Bar, file this Brief as *amici curiae*.

Interest of the Amici Curiae.

The *amici curiae* have a vital interest in this case. They are entirely composed of duly qualified patent practitioners who have been formally admitted to prac-

tice by the United States Patent Office. Their right to continue such practice is threatened by the decision of the Florida Court which denies to similarly qualified individuals, not members of the Florida Bar, the right to carry on such practice in Florida.

Introduction.

We have read the Petition filed herein and concur in everything set forth therein. We also respectfully request that the Court consider the following additional facts and arguments.

Reasons for Granting the Writ.

1. The decision of the Florida Court deprives many individuals, other than the petitioner, of the right to represent applicants in the preparation and prosecution of applications in the United States Patent Office. This right has been granted by the Commissioner of Patents under the authority of Congress, pursuant to Article I, Section 8, Clause 8 of the Constitution of the United States.[1] This right has been recognized explicitly by a number of states,[2] and has also been at least acquiesced in, if not recognized, for many years in Florida.

Florida is the only state which has deprived patent practitioners, who are not members of the Bar of the State in which they practice, of their right to prepare and prosecute applications in the Patent Office.

As stated in the Petition, pages 12 and 13, the rights of some 3,307 patent practitioners throughout

[1]Petition, p. 22.

[2]Petition, pp. 15-22.

the country will remain threatened until the question involved is determined by this Court. Included among the 3,307 patent practitioners so affected are approximately 115 patent practitioners in Southern California alone who are not members of the California Bar.

Furthermore, prior to the Florida decision individuals admitted to practice by the United States Patent Office were entitled to carry on that practice in any state or in the District of Columbia, but always subject to supervision by the Commissioner of Patents.[3] Under the Florida doctrine that each state may superimpose its own restrictions upon the established requirements of the United States Patent Office, patent practitioners, whether or not they are members of the Bar of the State in which they practice, would be severely limited in their right to continue the practice of their profession should they move to another state.

A very large number of individuals other than patent practitioners are also adversely affected by the Florida decision.[4] For example:

(1) Certified public accountants in representing clients in tax matters before Federal Agencies.

(2) Qualified lay practitioners licensed to practice before the Interstate Commerce Commission and other Federal Agencies, and

(3) The many clients of patent practitioners, certified public accountants and other qualified lay practitioners.

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[3]Petition, Appendix A, pp. 9-11.

[4]Petition, pp. 13-15.

2. As stated on page 22 of the Petition, the decision of the Florida Supreme Court is clearly erroneous in that it is an improper attempt by a state to exercise control in an area preempted by the Federal Government.

Admission to practice before the Patent Office is strictly supervised by the Commissioner of Patents as authorized by Congress under power granted by the Constitution. Applicants who provide satisfactory proof of good moral character and skill in engineering, scientific and patent matters, are given a written examination. Lawyers and non-lawyers are subject to the same requirements and examination for admission to practice, and are entitled to perform the same acts in the United States Patent Office when duly registered.[5]

The Ohio Court of Appeals, Franklin County, in the cases of *Battelle Memorial Institute v. Green, et al.* and *In re Battelle Memorial Institute,* 133 U. S. P. Q. 49,[6] in holding that a state does not have the power to forbid a duly registered non-attorney to practice within the state before the Patent Office solely because he is not a member of the bar of that state, held, at pages 53-54 as follows:[7]

> "Were the courts of each state to control practice before the United States Patent Office, thus usurping a right to control that which they cannot authorize in the first instance, by considering it to constitute the practice of law within their state; then the courts of the 50 states, by ignor-

[5]Petition, pp. 22-23.

[6]For Opinion, see Petition, Appendix C, pp. 34-52.

[7]Petition, Appendix C, p. 45.

ing the provisions of Article VI of the United States Constitution, supra, could render the provisions of Congress in regard to practice before the Patent Office as enacted under the provisions of Article I, Section 8, of the United States Constitution, supra, a nullity.

* * * * *

"For the reasons set forth, we conclude that control of practice before the U. S. Patent Office is a superior right vested exclusively by the United States Constitution and by acts of Congress in the Commissioner of Patents, subject to appeal to the federal courts, and the state courts, by virtue of Article VI of the United States Constitution, are bound thereby and precluded from interfering."

Also the local rules of many United States District Courts provide that members of the Bar are eligible for admission to practice generally in the United States District Court without being a member of the Bar of the State in which the United States District Court is located.[8]

Furthermore, the Supreme Court of the State of California in the case of *In re McCue*, 211 Cal. 57, provides firm support for the *Battelle* cases in recognizing that the Federal Courts may establish their own rules as to admission and professional conduct, and that the individual states have no power to regulate such practice. In holding that an attorney not a mem-

[8]See local rules of the following District Courts: Connecticut, Hawaii, Illinois (E. D.) (N. D.) (S. D.), Indiana (N. D.) (S. D.), Maine, Maryland, Massachusetts, Montana, New Mexico, New York (S. D.), Ohio (N. D.) (S. D.), Oklahoma (E. D.) (N. D.) (W. D.), North Dakota, South Dakota, Tennessee (W. D.), Vermont, Washington (E. D.) (W. D.).

ber of the California Bar did not violate any California law by practicing in the Federal Courts in California under a license so to do, the Court said, in part, as follows at page 66:

> "Appellant admits that since coming to California under a license so to do he has frequently appeared in the federal courts of this district in the trial of cases. He stated to the committee that he had acted as attorney in some twenty different cases in said federal courts. In our opinion this was not a violation of any law of this state. The State Bar Act and other statutes enacted for the purpose of regulating the practice of law in this state are applicable to our state courts only. The federal courts are governed entirely by federal enactment and their own rules as to admission and professional conduct. *This state, should it attempt, and we do not think it has, to regulate the practice of law in the federal courts or to place any restrictions or limitations upon the persons who might appear before the federal courts within this state, would be acting entirely without right and beyond its jurisdiction.* * * *" (Emphasis added.)

Conclusion.

For the reasons set forth above, the *amici curiae* urge that the petition for a writ of certiorari should be granted.

Dated at Los Angeles, California, this 5th day of September, 1962.

Respectfully submitted,

ROBERT M. MCMANIGAL,
Attorney for Amici Curiae.

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IN THE

Supreme Court of the United States

October Term, 1962

No. 322

ALEXANDER T. SPERRY,
Petitioner,

-vs-

STATE OF FLORIDA, ex rel., THE FLORIDA BAR,
Respondent.

BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI TO THE SUPREME COURT OF FLORIDA

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PRELIMINARY STATEMENT

In this brief we will refer to pages in the brief and petition of petitioner as "P.B.__" and to the appendix to the petition and brief of petitioner as "P.A.__."

No appendix is attached to this brief in opposition to granting the petition for certiorari.

ARGUMENT

The Regulation of the Practice of Law in the State of Florida

Section 23 of Article V of the Constitution of the

State of Florida vests in the Supreme Court of that state full power over the subject-matter of this suit, said section being as follows:

> "The Supreme Court shall have exclusive jurisdiction over the admission to the practice of law and the discipline of persons admitted ***."

Section 2 of Article II of the Integration Rule of The Florida Bar provides that

> "No person shall engage in any way in the practice of law in this state unless such person is an active member of The Florida Bar in good standing ***." (P. A. 11)

The Law of Florida in Relation to This Case

The Supreme Court of Florida, in the exercise of its power under the Constitution of Florida, has determined the law of such state in relation to this case in the decision appealed from, said opinion appearing in full in the appendix to petitioner's petition (P.A. 12-33), and in and by said decision has determined the law of Florida as follows:

(a) That the Supreme Court of Florida has jurisdiction of the parties and subject-matter of this suit.

(b) That the actions of the petitioner in

(1) Using the term "patent attorney";

(2) Rendering legal opinions, including

opinions as to patent-ability or infringement on patent rights;

(3) Preparing, drafting and construing legal documents;

(4) Holding himself out, in this state, as qualified to prepare and prosecute applications for letters patent, and amendments thereto; and

(5) Preparation and prosecution of applications for letters patent, and amendments thereto, in this state. (P.A. 32-33) constitute the practice of law in the State of Florida and are prohibited unless the practitioner is a member of The Florida Bar in good standing.

The Rights or Privileges of Petitioner

The Supreme Court of Florida has determined that under Florida law the petitioner can not do the things enumerated in the preceding section of this brief in the State of Florida because he is not a member of The Florida Bar in good standing.

The petitioner contends that he has the privilege or right to do the things above enumerated in the State of Florida because he has been admitted to practice before the Patent Office pursuant to an Act of Congress.

Because the Constitution of the United States and the laws of Congress pursuant thereto are the supreme law of the nation and the states, we must measure the

rights and privileges of petitioner accordingly as they are measured to him by such Constitution and laws, recognizing that the laws of Florida must yield to the intent of the Constitution and the valid acts of Congress, but also recognizing that where the laws of Florida have not been suspended or superseded by federal law, that the laws of Florida are controlling.

We must, therefore, look to the Act of Congress to determine the full intent of Congress in regard to the privileges that have been conferred upon petitioner because the Commissioner of the Patent Office can not grant to petitioner any greater privileges than authorized by the Congress.

The relevant portions of the Act of Congress and the regulations of the Commissioner of the Patent Office upon which petitioner's contention is based, are as follows:

> "Patent Act of 1952, c. 950, 66 Stat. 792, Secs. 31-33, 35 U.S.C. Secs. 31-33.
>
> Sec. 31. The Commissioner, subject to the approval of the Secretary of Commerce, may prescribe regulations governing the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Patent Office, and may require them, before being recognized as representatives of applicants or other persons, to show that they are of good moral character and reputation and are possessed of the necessary qualifications to render to applicants or other persons valuable

service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office."

* * * *

"Rules of Practice of the United States Patent Office in Patent Cases, 24 F.R. 10332, 37 CFR Secs. 1.31, 1.341-1.348.

Sec. 1.31 Applicants May be Represented by an Attorney or Agent. An applicant for patent may file and prosecute his own case, or he may be represented by an attorney or agent authorized to practice before the Patent Office in patent cases. The Patent Office cannot aid in the selection of an attorney or agent.

Sec. 1.341. Registration of Attorneys and Agents. A register of attorneys and a register of agents are kept in the Patent Office on which are entered the names of all persons recognized as entitled to represent applicants before the Patent Office in the preparation and prosecution of applications for patent. Registration in the Patent Office under the provisions of these rules shall only entitle the persons registered to practice before the Patent Office.

(a) Attorneys at Law. Any attorney at law in good standing admitted to practice before any United States Court or the highest court of any State or Territory of the United States who fulfills the requirements and complies with the pro-

visions of these rules may be admitted to practice before the Patent Office and have his name entered on the register of attorneys.

(b) Agents. Any citizen of the United States not an attorney at law who fulfills the requirements and complies with the provision of these rules may be admitted to practice before the Patent Office and have his name entered on the register of agents." (P.A. 1-3)

The Question Presented Herein

The question presented in this cause is whether or not the petitioner may do and perform acts constituting the practice of law in the State of Florida by virtue of his admission to practice before the Patent Office despite the fact that he is prohibited by the laws of Florida from doing and performing such acts in such state.

The Role of the States in Regulating the Practice of Law

We believe it may be said with ample justification that there is no state power, no state function and no state responsibility of greater importance, or that has been exercised and performed more consistently by the states, or has been more uniformly recognized and acquiesced in than the power and responsibility of the states to regulate the practice of law within the respective boundaries.

We believe that it also may be said with justification that no power and responsibility of the states is so closely

related to the welfare of the people and the preservation and protection of their personal and political rights as is the power and responsibility to regulate and supervise the practice of law.

The privileges, the duties and the responsibilities of those admitted to the practice of law are so intimately related to the performance by the state of the essential governmental function of administration of justice, the preservation of the confidence of the people in the courts, and the protection and preservation of personal and political rights that every state has, and of necessity must exercise the power to control and regulate the practice of law and those admitted to such practice within its boundaries.

No other power or right of the states has been so uniformly recognized nor generally acquiesced in by the departments, agencies and Courts of the federal government as the right and power of the states to control and regulate the practice of law, and those admitted to such practice within their respective boundaries.

The generally accepted standard for admission to practice before the federal courts and the several state agencies is that the applicant for such privileges is admitted to the practice of law before the highest courts of his state.

The rules of this Court provide that:

> "It shall be requisite to the admission of attorneys or counselors to practice in this Court, that they shall have been such for three years passed

> in the highest Court of a state, territory, district, commonwealth or possession, and that their private and professional characters shall appear to be good."

Traditionally, historically and as a matter of necessity to preserve and protect the welfare of its people, each state has exercised its power in this field.

In the light of this background and with the pronouncement of this Court as guidelines we will hereafter examine the above quoted Act of Congress to determine the question involved herein.

Constitutional Principles Involved

There is no doubt that Congress, in the exercise of powers delegated to it, may and can suspend, supersede or set aside any state law in conflict with the purpose and intent of Congress but such purpose and intent must be clearly manifested.

Our system of dual sovereignty, which is the unique feature and fundamental basis of the federal union, is established by the Constitution of the United States and the reserved rights and powers of the states are as much within the protection of the Constitution as are the rights of Congress to exercise the powers delegated to it.

Decisions of this Court

In recognition of and deference to the constitutional principles above set forth, this Court has consistently given full effect to the supremacy clause in the Consti-

tution of the United States when the purpose and intent of Congress to preempt any field within the range of the powers delagated to it was clearly manifest, but this Court has also, with equal recognition of and deference to the aforesaid constitutional principles held that the intent and purpose of Congress to exercise its powers and the degree to which it is the intent and purpose of Congress to exercise such powers, must be manifest in the Acts of Congress and this Court will give no greater effect to such acts than was intended by Congress as manifested in such acts.

In other words, supremacy of federal law may be asserted and made effective, but such supremacy is never presumed.

This rule of interpretation has been expressed by this Court in numerous cases.

In the case of Penn Dairies v. Milk Control Commission, 318 U.S. 261 (1943), this Court said:

> "An unexpressed purpose of Congress to set aside statutes of the states regulating their internal affairs is not lightly to be inferred and ought not to be implied where the legislative command, read in the light of its history, remains ambiguous. Considerations which lead us not to favor repeal of statutes by implication, United States v. Borden, 308 US 188, 198, 199, 84 L. ed 181, 190, 191, 60 S Ct 182; United States v. Jackson, 302 US 628, 631, 82 L. ed 488, 491, 58 S Ct 390; Posadas v. National City Bank, 296 US 497, 503-505, 80 L. ed 351, 355, 356, 56

S Ct 349, should be at least as persuasive when the question is one of the nullification of state power by Congressional legislation."

In the case of California v. Zook, 336 U.S. 725 (1949), this Court said:

"While the statute says nothing expressly on this point and we are aided by no legislative history directly in point, we know that normally congressional purpose to displace local laws must be clearly manifested. H. P. Welch Co. v. New Hampshire, 306 US 79, 83 L ed 500, 59 S Ct 438, and cases cited; Maurer v. Hamilton, 309 US 598, 614 L ed 969, 980, 60 S Ct 726, 135 ALR 1347; Kelly v. Washington, 302 US 1, 11, 14, 82 L ed 3, 11, 13, 53 S Ct 87; Mintz v. Baldwin, 289 US 346, 77 L ed 1245, 53 S Ct 611. Or if the claim is conflict in terms, it 'must be clear that the federal provisions are inconsistent, with those of the state to justify the thwarting of state regulation.' Cloverleaf Butter Co. v. Patterson, supra (315 US at 156, 86 L ed 762, 62 S Ct 491). See also Hines v. Davidowitz, 312 US 52, at 67, 85 L ed 581, 586, 61 S Ct 399."

In the case of Schwartz v. Texas, 344 U. S. 199, 73 S. Ct. 232 (1952) this Court said:

"If Congress is authorized to act in a field, it should manifest its intention clearly. It will not be presumed that a federal statute was intended to supersede the exercise of the power of the state unless there is a clear manifestation of in-

tention to do so. The exercise of federal supremacy is not lightly to be presumed.

'The principle thus applicable has been frequently stated. It is that the Congress may circumscribe its regulation and occupy a limited field, and that the intention to supersede the exercise by the State of its authority as to matters not covered by the federal legislation is not to be implied unless the Act of Congress fairly intrepreted it in conflict with the law of the State,' Atchison, T. & S. F. R. Co. v. Railroad Commission, 283 US 380, 392, 393, 75 L ed 1128, 1136, 1137, 51 S Ct 558. See Savage v. Jones, 225 US 501, 533, 56 L ed 1182, 1194, 32 S Ct 715.

'It should never be held that Congress intends to supersede or by its legislation suspend the exercise of the police powers of the States, even when it may do so, unless its purpose to effect that result is clearly manifested.' Reid v. Colorado, 187 US 137, 148, 47 L ed 108, 114, 23 S Ct 92."

Other Considerations

We have heretofore set forth and discussed the decisions of this Court establishing guidelines for the interpretation of Acts of Congress relating to areas in which the states have an interest and in which they have powers of regulation.

This Court has clearly set forth the rule that any intent or purpose of Congress to suspend, supersede or

set aside state law in such areas must be clearly manifest in the Act of Congress.

We suggest as a corollary to that rule and as a logical extension of it that in those areas where the interest of the states is acute, where regulation by the states is most essential to the public welfare and where the power of the states has been recognized and acquiesced in for a long period of time, the more strict should be the interpretation of any Act of Congress against interference with state law and the more clearly should the intent and purpose of Congress appear before state laws in such areas are suspended, superseded or set aside.

We submit that the regulation of the practice of law by the state falls clearly within the rule laid down by this Court for interpretation of the laws of Congress and further submit that the right and power of the states to regulate the practice of law also falls within the extension of the rule as above suggested.

We also respectfully submit a further reason to this Court why the Act of Congress upon which petitioner relies should be strictly construed against his contentions. Any intent of Congress to suspend, supersede or set aside state law should more clearly appear in those areas where the states have a duty to protect its citizens than in acts of Congress relating to subjects vital to the functioning of the Federal Government or in which the Federal Government has primary responsibility.

Again we submit that the regulation and control of the practice of law by the states falls clearly within this suggested extension of the rule already enunciated by this Court.

The Act of Congress and the Interpretation Thereof

We have already quoted the relevant portions of the Act of Congress and the regulations relied upon by the petitioner. We have already stated that the Commissioner has no power by regulation to suspend, supersede or set aside state laws unless such power is expressly conferred upon him by Congress or is necessarily implied therefrom.

It would seem therefore that we need only to examine the Act of Congress to determine the issues herein.

It is immediately apparent that there is no express provision in the Act providing that state laws shall yield to the federal statute; there is no express provision that the powers vested in the Commissioner are powers that shall transgress state laws or that the privileges he may confer may or shall be enjoyed or exercise contrary to any state laws or in violation of any state law, nor is there any provision in the federal statute exempting patent attorneys or agents from the effect of state laws upon the same subject-matter.

It is also immediately apparent that the subject of the Act of Congress does not relate to any essential function of the Federal Government; it relates only to the granting of a privilege to persons to appear before a federal agency. It does not relate to the functioning of the agency nor to those charged with responsibility for its operation—the subject is simply one of granting privileges to persons to appear in a representative capacity before the agency.

It also immediately appears that Congress did not

consider the granting of the privilege of practicing before the Patent Office to persons who were not lawyers to be essential to the continued existence of the Federal Government nor to the national welfare, nor even to the functioning of the Patent Office—the Act of Congress is purely permissive—it is not mandatory that the Commissioner grant the privileges authorized by the Act—certainly there is no express command that the Commissioner suspend, supersede or set aside long established traditions and laws of the states and confer the privilege of practicing law upon persons prohibited from so doing by state laws.

We further submit that it is appropriate in determining the purpose and intent of Congress to give consideration to matters of public policy. It is a fundamental principal of our constitutional system that each of the governments, state and federal, are to exercise their powers so as not to interfere unnecessarily with the exercise of the powers of the other.

This Court has said, in the case of South Carolina v. U. S., 199 U.S. 437 (1905):

> "In other words, the two governments—national and state—are each to exercise their powers so as not to interfere with the free and full exercise by the other of its powers."

It would appear then that this principle requires that the statute involved herein should be so construed as to give only that effect to the statute that will not authorize interference with the traditional and historic powers of the states to regulate the practice of law within their boundaries.

It might also be fair to assume in considering the interpretation of the Act of Congress that if a factual situation existed that Congress deemed of such urgency to compel it to the conclusion that it was essential to the national welfare or to the proper functioning of the federal agency involved to confer privileges upon individuals to practice patent law in the several states in disregard of the law of those states, that Congress would have resorted to the common legislative device of incorporating in the statute a finding or declaration of such factual situation, but no such finding or declaration appears in the statute.

After this brief in opposition to the Petition for Writ of Certiorari had been prepared, counsel by agreement received an unprinted copy of proposed brief to be filed as amicus curiae on behalf of American Association of Registered Patent Attorneys and Agents and of Committee For Southern California Patent Practitioners, Not Members of the California Bar. A statement is made in that brief:

> "The decision of the Florida Court deprives many individuals, other than the petitioner, of the right to represent applicants in the preparation and prosecution of applications in the United States Patent Office."

This was obviously not the purpose or intention of the Florida Supreme Court, for when it was discussing petitioner's rights under the Florida decision it observed:

> "Nor will it in any way affect his right to practice before the Patent Office in Washington, D. C." (P.A. 32)

CONCLUSIONS

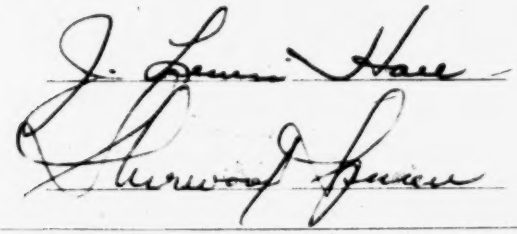
We therefore submit that there is no provision in the Act of Congress supporting petitioner's contention that he may engage in activities in the State of Florida prohibited by the laws of that state, nor is there any justification by implication in the statute that petitioner should be permitted to engage in activities prohibited him by Florida law.

We submit that it was and is the intent of Congress to authorize the privileges contemplated in the congressional statute only when such privileges may be exercised without violation of state law.

It appears then that there is no error in the judgment of the Supreme Court of Florida and the petition for certiorari should be denied.

DATED at Hollywood, Florida, September 6, 1962.

Respectfully submitted,



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I HEREBY CERTIFY that copies of the foregoing brief have been served upon counsel for petitioner by mail, by depositing the same in the United States mail, addressed as follows: Oscar A. Mellin, LeRoy Hanscom, Jack E. Hursh, 111 Sutter Street, San Francisco 4, California, the same being the post office address of such counsel and that sufficient air mail stamps were placed thereon to insure delivery, and that such copies addressed and stamped as aforesaid were deposited in the United States mail on the 6th day of September, A. D. 1962.
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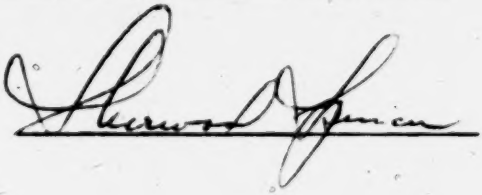

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Respondent

BRIEF OF AMICUS CURIAE

The Florida Patent Law Association
In Support of
Petition for Writ of Certiorari

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SUBJECT

Interest of Amicus Curiae

Argument

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Constitutional Provisions
Other States

2. Patent Office Practice
extensive scientific and en

3. The Florida decision
rights enjoyed by citizens

4. The Question Present
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5. The Following Facts
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* * * *

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BRIEF OF AMICUS CURIAE

The Florida Patent Law Association
In Support of
Petition for Writ of Certiorari

By consent of the Petitioner and Respondent, the Florida Patent Law Association, which consists of persons, all registered to practice before the United States Patent Office, some of whom are members of the Florida Bar, some of whom are members of Bars of other States, and some of whom are not members of any Bar, file this Brief as Amicus Curiae, in support of the Petition for Writ of Certiorari.

Interest of Amicus Curiae

The amicus curiae have a vital interest in this case, since their right to continue practice in Florida and elsewhere is threatened by the decision of the Florida Court, which denies to persons, registered before the United States Patent Office, the right to practice before the United States Patent Office from an office in Florida. We have read the Petition for the Petitioner filed herein, and concur therein. We also respectfully call the attention of the Court to the following additional facts and arguments:

ARGUMENT

It should be noted that the essential issue in this case is the right to practice before the *United States Patent Office*, with an office in Florida, *NOT* before any Court or Tribunal in the State of Florida.

1. The Decision Below is in Conflict with Constitutional Provisions and Decisions in Other States.

Article I, Section 8, of the Constitution of the United States, states:

> "The Congress shall have power . . . To promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries."

This is a perfectly clear statement in the Constitution which would not seem to be subject to interpretation. This

power has been delegated by Congress to the Commissioner of Patents. The Federal Government has for 175 years had exclusive control of patents and copyrights. The first Patent Act was passed in 1790. The Patent Office under the Commissioner was set up in 1836 and the latest revision of the Patent Laws was in 1952, but it is basically the same law as that of 1836.

The United States Code, Section 31 of Title 35 states:

> "The Commissioner, subject to the approval of the Secretary of Commerce, may prescribe regulations governing the recognition and conduct of *agents*, attorneys, *or other persons* representing applicants or other parties before the Patent Office, and may require them before being recognized as representatives of applicants or other persons, to show that they are of good moral character, and reputation, and are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office. July 19, 1952, C.950. 66 Stat. 795" (Emphasis added).

Note the specific mention of "agents" or "other persons" which shows that Congress contemplated admission of non-members of the Bar.

For a State to interfere with this control either directly or indirectly is a gross encroachment by the State in an activity reserved to the Federal Government and an attempt to nullify an act of Congress.

The Florida decision is in direct conflict with other State Court cases cited in Petitioner's Brief and particularly with the Ohio case of Battelle Memorial Institute vs. Green, et al., 133 U.S.P.Q. 49, (1962), cited in Petitioner's Brief. The Ohio Court correctly stated that:

> ". . . . the requirements for admission to practice before the Patent Office make it clear that *skill in engineering and scientific matters and familiarity with patent procedures* are as necessary as skill in legal matters, and persons who are not attorneys may qualify for admission as agents . . . ."
> (Emphasis added)

And further that . . . .

> "Were the courts of each state to control practice before the United States Patent Office, thus usurping a right to control that which they cannot authorize in the first instance, by considering it to constitute the practice of law within their state; then the courts of the 50 states, by ignoring the provisions of Article VI of the United States Constitution, supra, could render the provisions of Congress in regard to practice before the Patent Office as enacted under the provisions of Article I, Section 8, of the United States Constitution, supra, a nullity.
>
> * * * * *
>
> "For the reasons set forth, we conclude that control of practice before the U.S. Patent Office is

a superior right vested exclusively by the United States Constitution and by acts of Congress in the Commissioner of Patents, subject to appeal to the federal courts, and the state courts, by virtue of Article VI of the United States Constitution, are bound thereby and precluded from interfering."

2. Patent Office Practice requires, primarily, extensive scientific and engineering knowledge.

In the case at Bar, the Florida Court and the Florida Bar, represented by five highly capable and well qualified members of the Bar, demonstrate a laudable desire to protect the public and the Bar, but also a misunderstanding of the true facts of what practice before the United States Patent Office entails. The task of understanding an invention and properly describing it in an application for Letters Patent, and the prosecution through the Patent Office comprises at least 80% technical, engineering and scientific skill and knowledge, and knowledge of the Rules of Practice of the United States Patent Office, and perhaps 20% of general legal knowledge.

Two important requirements of Patent Office practice are, *first*, expressing an opinion as to the patentability of an alleged invention by studying the technical data contained in the prior art patents and *secondly*, writing down on paper with accompanying technical drawings a description of what the invention actually is, and distinguishing it from the prior art.

One of the most difficult parts of the proceedure is for the patent attorney to find out by personal interview

from the inventor, who may be either untutored or a graduate engineer and scientist, exactly what his invention is. This is difficult to do unless the patent attorney is also possessed of adequate technical, engineering, and scientific background to understand the invention and communicate with the inventor. It is analogous to an attempt to extract from a client the facts on which a possible law suit is to be based. This is nearly impossible to do by correspondence between a client and an attorney who are widely separated geographically.

Another important skill required to practice before the Patent Office, is a thorough knowledge of the Rules of Practice of the United States Patent Office, some three hundred and fifty two in number.

3. **The Florida decision denies to its citizens rights enjoyed by citizens of other States.**

The effect of the Florida Court's decision would be to force the petitioner to move out of the State, in order to perform those acts which Congress, acting under the United States Constitution has authorized him to perform and which he may perform in other states. The result would be that Florida inventors would either have to go to Washington, D. C., or send their inventions to petitioner, by mail. If an inventor engaged a member of the Florida Bar, who is not a patent attorney, as is generally the case, that Florida attorney would probably forward the case to a patent attorney in Washington, D. C., or some other state. The result would be to impose an almost impossible communications barrier between the inventor and the patent attorney and greatly increase the expense of obtaining a patent by an inventor. Such a situation is

both unjust and unwarranted. Theoretically the inventor or a Florida general attorney could go to a Florida patent attorney who is a member of the Florida Bar. However, there are a totally inadequate number of such Florida patent attorneys.

Thus, the real effect of the decision is not to protect the public but to require the public to attempt to communicate by correspondence with a patent attorney in Washington, either directly, or through a member of the Florida Bar, who is not an engineer and not scientifically trained. The result would be a great deal of confusion and inefficiency and what is more important, the patent, if obtained, would probably not reflect the actual invention. It might reduce the scope of the patent to which the inventor is entitled, or result in encroachment on the prior art to the extent of invalidating the patent.

4. The Question Presented Seriously Affects our National Research and Defense Effort.

Another unintended effect of the Florida Court's decision will be the restraint upon movements of research laboratories which frequently carry with them registered patent attorneys. A patent department of a large national corporation would be loath to send one of its members, who might be a member of the Bar in another State, into Florida to speak to a scientist because of the decision of the Florida Court. Such a hinderance to the movement and activities of registered patent attorneys and research would, in he long run, have a serious adverse effect not only on the State of Florida, but the entire country as well, by limiting the operation of registered patent agents or patent attorneys who are not members of a particular

State Bar. Thus, for example, a registered patent attorney who is a member of the Bar of the State of New York, Illinois, or California, and one who might be a highly trained specialist in space vehicles, or electronic guidance systems, and employed by a corporation patent department, in one of the said States could not, if transferred to the corporations' Cape Canaveral, Florida Branch Research Plant, prepare and file patent applications or analyze patents in Florida.

5. The Following Facts are also Pertinent to the Case.

Advertising by a registered Patent Attorney or Agent is strictly prohibited as unprofessional conduct by Rule 345 of the Patent Office of August 27, 1957 (22 Federal Register 6898), and is punishable, by the Commissioner of Patents, by suspension or disbarment from practice before the Patent Office. This Rule implements Section 32, entitled "Suspension or Exclusion from Practise", of U.S.C. Title 35. This disciplinary control is strictly enforced.

Another fact pertinent here is that to become a Patent Attorney one must now *either* serve on the Corps of Examiners of the United States Patent Office for four years, which requires an engineering or scientific education, *or* take an examination which is both technical and also covers the Rules of Practice of the United States Patent Office. This examination is so exacting that a private organization, the Practising Law Institute of New York, is now offering a "quiz" course of 36 hours duration to prepare for it. This brings out the fact that admission to practice before the United States Patent Office is not mere formality, but contains very rigorous requirements.

SUMMARY

1. Only practice before the United States Patent Office and *not* before any court or tribunal of the State of Florida is here involved.

2. The decision clearly violates Article I, Section 8 of the Constitution, and is in conflict with decisions in other States. It is an attempt by a State to encroach on a purely Federal matter and to nullify an act of Congress.

3. The Court below, and the Florida Bar, have misunderstood the highly technical nature of Patent Office practice.

4. The real effect of the Florida Court's decision would be not to protect the public and the Bar, but to retard the national research and development effort, and to seriously impede the public and the Bar in their efforts to obtain valid patents.

CONCLUSION

The amicus curiae respectfully urges that the petition for a Writ of Certiorari be granted and the decision of the Florida Supreme Court reviewed, since a unique question of vital importance to the public, to the Bar, and affecting all of the citizens of the United States, is in-

volved. This erroneous interpretation of the United States Constitution, however well meaning, should be corrected.

Dated at Miami, Florida, this 10th day of October, 1962.

Respectfully submitted,

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Office Supreme Court, U.S.
FILED
DEC 14 1962
JOHN F. DAVIS, CLERK

IN THE

Supreme Court of the United States

October Term, 1962

No. 322

ALEXANDER T. SPERRY, *Petitioner*,

v.

STATE OF FLORIDA, ex rel., THE FLORIDA BAR,
Respondent.

On Writ of Certiorari to the Supreme Court of the State of Florida

BRIEF OF AMICUS CURIAE, ASSOCIATION OF INTERSTATE COMMERCE COMMISSION PRACTITIONERS, IN SUPPORT OF PETITIONER

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BRIEF OF AMICUS CURIAE, ASSOCIATION OF INTERSTATE COMMERCE COMMISSION PRACTITIONERS, IN SUPPORT OF PETITIONER

The Association of Interstate Commerce Commission Practitioners, appearing as *amicus curiae* with the consent of the parties, files this brief in support of petitioner.

INTEREST OF AMICUS CURIAE

The Association of Interstate Commerce Commission Practitioners is a voluntary association whose object, as stated in its Constitution, is, in part,

> "to promote the proper administration of the Interstate Commerce Act and related acts; [and]

> to uphold the honor of practice before the Interstate Commerce Commission * * *."

Membership in the Association is open to any person who has been granted a certificate by the Interstate Commerce Commission to practice before it and to members of the regulatory bodies of the several states and the District of Columbia. Members of the Interstate Commerce Commission are honorary members of the Association. The present membership of the Association includes 3,957 persons who have been admitted to practice before the Interstate Commerce Commission.

Like the Commissioner of Patents, the Interstate Commerce Commission has express statutory authority to regulate admission to practice before it[1] and has adopted regulations for that purpose, including a code of ethics and provisions for the disciplining and disbarment of practitioners.[2] And, like the United States Patent Office and certain other federal offices and

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[1] Interstate Commerce Act, sec. 17(12), 49 U.S.C. § 17(12).

[2] General Rules of Practice, §§ 1.7-1.13, Appendix A, reissued with amendments, 27 F.R. 7520-1, 7534-7.

The Commission's original regulations governing admission to practice before it became effective September 1, 1929, at a time when the Commission's power to adopt such regulations was implied from its general power to control its own procedures and the statutory right of parties to appear before it in person or by attorney. Interstate Commerce Act, sec. 17(3), 49 U.S.C. § 17(3); *cf.* Goldsmith v. United States Board of Tax Appeals, 270 U.S. 117, 46 S. Ct. 215, 70 L. ed. 494 (1926); Aitchison, *Practitioners before the Interstate Commerce Commission*, IV I.C.C. PRAC. J. 53 (1936). Its power was confirmed, and made express, by the Transportation Act of 1940 which added section 17(12) to the Interstate Commerce Act. 54 Stat. 916, 49 U.S.C. § 17(12). This action was taken by Congress, not, so far as appears, to remove existing doubts as to

agencies,[3] the Interstate Commerce Commission admits to practice before it, not only attorneys-at-law, but others who are found to possess the necessary qualifications.[4] As of June 30, 1961, 19,705 attorneys and 9,334 non-lawyers had been admitted to practice before the Commission.[5]

The question presented in this case—whether a state may lawfully interfere with, or prohibit, the exercise, within its boundaries, of a federally-granted authorization to practice before a federal agency—deeply concerns the entire membership of the Association, lawyers and non-lawyers alike, for the answer to that question will have an important bearing on the future administration of the Interstate Commerce Act and related acts and on the power of the Interstate Commerce Commission to control its own practice and procedure. The question, and its answer, are also of direct and immediate concern to non-lawyer practitioners before the Interstate Commerce Commission,[6] for they,

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the Commission's power, but rather in response to the Commission's request for legislation which would authorize it to impose an admission fee and provide for disposition of the proceeds. See FIFTY-SECOND ANNUAL REPORT, INTERSTATE COMMERCE COMMISSION (1938), pp. 43-4, 123; FIFTY-THIRD ANNUAL REPORT, INTERSTATE COMMERCE COMMISSION (1939), p. 50; FIFTY-FOURTH ANNUAL REPORT, INTERSTATE COMMERCE COMMISSION, (1940), p. 49.

[3] See, for example, Rules of Practice before the Tax Court of the United States, 26 C.F.R. § 701.2; Rules Governing Authority To Practice before the Internal Revenue Service, United States Treasury Deparment, 31 C.F.R. §§ 10.2 *et seq.*

[4] General Rules of Practice, § 1.8; 27 F.R. 7520.

[5] SEVENTY-FIFTH ANNUAL REPORT, INTERSTATE COMMERCE COMMISSION (1961), p. 172.

[6] The membership of the Association includes non-lawyer practitioners residing in 47 of the 50 states.

like petitioner, have, on occasion, faced challenges to the lawfulness of their practice within certain states[7] —and the diversity of opinion among the state and lower federal courts which have considered the question[8] has left a cloud upon the efficacy of their author-

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[7] De Pass v. B. Harris Wool Co., 346 Mo. 1038, 144 S.W. 2d 146 (1940); Public Service Traffic Bureau, Inc. v. Haworth Marble Co., 40 O. App. 255, 178 N.E. 703 (Ct. App. Ohio, 1931); Blair et al. v. Motor Carriers Service Bureau, Inc., et al., 40 Pa. D. & C. 413 (Phila. County, 1939); State ex rel. State Bar of Wisconsin v. Keller, 16 Wis. 2d 377, 114 N.W. 2d 796 (1962), *petition for writ of certiorari pending* (No. 429).

In the case last cited, the State contends, in its brief in opposition to the petition for a writ of certiorari, that no issue as to the petitioner's right to practice before the Interstate Commerce Commission was before the Supreme Court of Wisconsin. It is not clear, however, from a reading of the record and the Court's opinion, that the Wisconsin Court did not regard the issue as properly raised and before it for decision. In any event, the Court's comments on the point (114 N.W. 2d at p. 801) are pertinent, whether they be regarded as decision or *dictum*.

[8] In addition to the cases cited in the preceding footnote, see Crane-Johnson Co. v. Commissioner of Internal Revenue, 105 F. 2d 740 (8th Cir., 1939), *aff'd.*, 311 U.S. 54, 61 S.Ct. 114, 85 L. ed. 35 (1940); Brooks v. Mandel-Witte Co., Inc., et al., 54 F. 2d 992 (2d Cir., 1932), *cert. den.*, 286 U.S. 559, 52 S.Ct. 641, 76 L. ed. 1292 (1932); Agran v. Shapiro et al., 127 C.A. 2d 807, 273 P. 2d 619 (App. Dep., Sup'r Ct. Cal., 1954); Petition of Kearney, 63 So. 2d 630 (Sup. Ct. Fla., 1953); Noble v. Hunt, 95 Ga. App. 804, 99 S.E. 2d 345 (Ct. App. Ga., 1957); Chicago Bar Assn. et al. v. Kellogg, 338 Ill. App. 618, 88 N.E. 2d 519 (App. Ct. Ill., 1949); In re Lyon et al., 301 Mass. 30, 16 N.E. 2d 74 (1938); Auerbacher et al. v. Wood, 139 N.J. Eq. 599, 53 A. 2d 800 (Ct. Ch. N.J., 1947), *aff'd.*, 142 N.J. Eq. 484, 59 A. 2d 863 (Ct. Err. & App. N.J., 1948); Sharp v. Mida's Research Bureau, Inc., 45 N.Y.S. 2d 690 (Sup. Ct. N.Y. County, 1943), *aff'd.*, 48 N.Y.S. 2d 799 (App. Div., 1944); Battelle Memorial Institute v. Green, et al., 133 U.S.P.Q. 49 (Ct. App. Ohio, 1962).

izations to practice. The Association, therefore, has a vital interest in the decision of the question by this Court.

SUMMARY OF ARGUMENT

This case involves a direct clash between federal and state authorities. The United States Commissioner of Patents, acting under an express congressional delegation of authority, has adopted regulations governing admission to practice before the United States Patent Office. Petitioner, as a registered "patent attorney" or "agent", is authorized by the Commissioner's regulations to engage in certain activities. Simply because petitioner is not a member of the Florida Bar, the Supreme Court of Florida has enjoined him from engaging, in Florida, in activities authorized by the Commissioner's regulations.

Whether viewed from the standpoint of its effect upon the operations of the Patent Office, or from the standpoint of its effect upon petitioner, the decision below runs afoul of the Supremacy Clause. It nullifies, in part, the regulations of the Commissioner and destroys the uniformity of regulation of practice before the Patent Office, thereby obstructing the exercise of federal authority and the operations of a federal agency. It asserts a power to veto federal selection of persons to be licensed to practice before a federal agency—an activity closely related to, and affecting, the functioning of the agency itself—and to prohibit, within the boundaries of the state, the use of the license, once granted. And it denies a federally-granted right or privilege, and restrains its exercise, within the state. In short, it seeks to "take away" what federal authority "constitutionally has given".

ARGUMENT

1. This Is a Clear Case of Collision Between Federal and State Authorities

This is not one of those difficult and worrisome cases where the Court is called upon to determine whether, by occupying part of a field of regulation, Congress has, by implication, left open, or barred, the remaining portions to state occupancy;[9] or where the consistency, or repugnance, of state and federal laws or actions can be determined only by the most meticulous balancing of pertinent considerations.[10] This is a case of direct and sharp conflict between federal and state actions—

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[9] *E.g.*, Local 24 of I.B. of T., C. W. & H. etc. et al. v. Oliver et al., 358 U.S. 283, 79 S. Ct. 297, 3 L. ed. 2d 312 (1959); Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America et al. v. Wisconsin Employment Relations Board, 340 U.S. 383, 71 S. Ct. 359, 95 L. ed. 364 (1951); International Union of United Automobile, Aircraft and Agricultural Implement Workers of America v. O'Brien et al., 339 U.S. 454, 70 S. Ct. 781, 94 L. ed. 978 (1950); International Union, U.A.W., etc., et al. v. Wisconsin Employment Relations Board et al., 336 U.S. 245, 69 S. Ct. 516, 93 L. ed. 651 (1949); Francis et al. v. Southern Pacific Company, 333 U.S. 445, 68 S. Ct. 611, 92 L. ed. 798 (1948); Rice et al. v. Santa Fe Elevator Corp. et al., 331 U.S. 218, 67 S. Ct. 1146, 91 L. ed. 1447 (1947); Bethlehem Steel Company et al. v. New York State Labor Relations Board, 330 U.S. 767, 67 S. Ct. 1026, 91 L. ed. 1234 (1947); Allen-Bradley Local etc., et al. v. Wisconsin Employment Relations Board et al., 315 U.S. 740, 62 S. Ct. 820, 86 L. ed. 1154 (1942); Cloverleaf Butter Company v. Patterson et al., 315 U.S. 148, 62 S. Ct. 491, 86 L. ed. 754 (1942); Hines et al. v. Davidowitz et al., 312 U.S. 52, 61 S. Ct. 399, 85 L. ed. 581 (1941).

[10] *E.g.*, Farmers Educational and Cooperative Union of America v. WDAY, Inc., 360 U.S. 525, 79 S. Ct. 1302, 3 L. ed. 2d 1407 (1959); Hill et al. v. State of Florida, 325 U.S. 538, 65 S. Ct. 1373, 89 L. ed. 1782 (1945); Anderson v. Abbott et al., 321 U.S. 349, 64 S. Ct. 531, 88 L. ed. 793 (1944).

a case in which a federal authorization has been met, head-on, by a state prohibition.

The United States Commissioner of Patents, acting under an express congressional delegation of authority,[11] has adopted "regulations governing the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Patent Office".[12] Under those regulations, petitioner is "entitled to represent applicants before the Patent Office in the preparation and prosecution of applications for patent" and "to practice before the Patent Office".[13] Nevertheless, because petitioner is not a member of the Florida Bar, the Supreme Court of Florida has enjoined him from the "preparation and prosecution of applications for letters patent * * * in this state" and from "holding himself out, in this state, as qualified to prepare and prosecute applications for letters patent * * *" (in addition to other activities).[14]

In reaching the decision that it should, and lawfully could, so enjoin petitioner, the Supreme Court of Flor-

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[11] 35 U.S.C. § 31.

[12] *Ibid.*: Rules of Practice of the United States Patent Office in Patent Cases, 37 C.F.R. §§ 1.341-1.348.

[13] 37 C.F.R. § 1.341.

[14] R. 68.

Petitioner attacks the injunction insofar as it prohibits him from engaging in specific activities covered by his authorization to practice before the Patent Office, but not as to other activities. Petition for a Writ of Certiorari, p. 9, fn. 7. The reference to specific activities in the text herein is not intended to limit the issue, but to illustrate the directness of the conflict between the injunction and petitioner's authorization under the Commissioner's regulations.

ida does not question the power of the Commissioner of Patents to adopt regulations governing admission to practice before the Patent Office,[15] nor the validity, on any other grounds, of the regulations which he has promulgated for that purpose. Neither does the Florida Court contend that the specific activities enjoined were outside the scope of petitioner's authorization, under the Commissioner's regulations; on the contrary, it appears to assume that it is dealing with "things that are necessary to be done preparatory to the actual appearance before" the Patent Office.[16] It rests its decision on the simple proposition that, under the Florida Constitution, it has exclusive jurisdiction to determine who may "practice law" in Florida,[17] and that no federal agency has the authority to grant even a limited privilege to do so.[18] And it makes but two concessions to the efficacy of petitioner's federal authorization: it suggests that the State *may* not have authority to prohibit petitioner from "appearing and practicing law" in Patent-Office proceedings held in Florida;[19] and it emphasizes that its injunction will not

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[15] R. 63-4, 65.

[16] R. 64.

[17] R. 53.

[18] R. 64, 65.

[19] R. 64.

The logic of the Court's concession on this point is not readily apparent. It would seem that the Court's premises should have produced the opposite conclusion—and the further conclusion that it had the *power* to prohibit out-of-state attorneys from "appearing and practicing law before a federal court or agency" in Florida. On the latter point, *cf.* Ginsberg et al. v. Kovrak, 392 Pa. 143, 139 A. 2d 889 (1958), *appeal dismissed*, 358 U.S. 52, 79 S. Ct. 95, 3 L. ed. 2d 46 (1958); Ex Parte McCue, 211 Cal. 57, 293 Pac. 47 (1930).

affect petitioner's right to practice before the Patent Office in Washington, D. C., or elsewhere outside the State of Florida![20]

Here, then, is an outright collision between federal and state actions. Petitioner is told, by the Supreme Court of the State, that his federally-granted authorization to practice before the United States Patent Office confers no right or privilege to engage in such practice in Florida (with the possible exception of appearances in Patent-Office proceedings held in that State); that if he wishes to engage in such practice, he must go elsewhere; and that if he persists in doing, in Florida, those things which the Commissioner of Patents has clearly authorized him to do, he will be punished for contempt.

2. In Such a Case, Federal Authority Must Prevail, Under the Supremacy Clause of the Constitution

In its long history of adjudicating disputes involving delicate problems of federal-state relations, this Court has never hesitated to give full effect to the Supremacy Clause of the Constitution,[21] once it was satisfied that state laws or actions, even though an otherwise valid exercise of reserved powers of the states, were in irreconcilable conflict with constitutionally authorized enactments or activities of the federal government. In many—perhaps most—such cases which have come before the Court, the crucial issue has been whether the asserted inconsistency was so basic, and so real in practical effect, as to foreclose accommodation and result inevitably in stalemate or

[20] R. 67, 68.

[21] Art. VI, cl. 2.

conflict[22]—and the Court has been understandably hestitant to reach such a conclusion.[23] The doctrine was stated more than 100 years ago in the much-cited case of *Sinnot et al.* v. *Davenport et al.*:[24]

> "The nullity of any act inconsistent with the Constitution is produced by the declaration that the Constitution is the supreme law. The appropriate application of that part of the clause which confers the same supremacy on laws and treaties, is to such acts of the state legislatures as do not transcend their powers, but, though enacted in the execution of acknowledged state powers, interfere with, or are contrary to, the laws of Congress, made in pursuance of the Constitution, or some treaty made under the authority of the United States. In every such case, the act of Congress or treaty is supreme; and the law of the state, though enacted in the exercise of powers not controverted, must yield to it. * * *
>
> "We agree, that in the application of this principle of supremacy of an act of Congress in a case where the state law is but an exercise of a reserved power, the repugnance or conflict should be direct and positive, so that the two acts could not be reconciled or consistently stand together * * *."

But where, as here, the "repugnance or conflict" is "direct and positive", the answer is plain: the federal authority is "supreme", and the action of the state,

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[22] See, for example, cases cited footnotes 9 and 10, *supra*.

[23] See Hill et al. v. State of Florida, 325 U.S. 538, 548-56, 65 S. Ct. 1373, 1378-81, 89 L. ed. 1782, 1788-92 (1945) (dissenting opinion).

[24] 63 U.S. 227, 242-3; 16 L. ed. 243, 247 (1859).

"though * * * [taken] in the exercise of powers not controverted, must yield to it." [25]

The decisions of this Court applying the doctrine are legion, but some have a special pertinence to the situation here presented:

a. The Court has repeatedly held that a state may not interfere with or obstruct, much less prohibit, the lawful operations of the federal government, or of its officers, agencies, or instrumentalities.[26] Whether the attempted restraint by the state be direct and complete (*e.g.*, by seeking to enjoin construction of a dam authorized by Congress),[27] or indirect and partial (*e.g.*, by seeking to impose a criminal penalty on the governor of a soldiers' home for serving oleomargarine in the mess room without displaying the notice required by state law),[28] or conditional only (*e.g.*, by seeking to

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[25] See also Kelly et al. v. State of Washington, 302 U.S. 1, 9, 58 S. Ct. 87, 91, 82 L. ed. 3, 10 (1937).

[26] Public Utilities Commission of the State of California v. U.S., 355 U.S. 534, 78 S. Ct. 446, 2 L. ed. 2d 470 (1958), *reh. den.*, 356 U.S. 925, 78 S. Ct. 713, 2 L. ed. 2d 760 (1958); Franklin National Bank of Franklin Square v. People of the State of New York, 347 U.S. 373, 74 S. Ct. 550, 98 L. ed. 767 (1954); Mayo et al. v. U.S., 319 U.S. 441, 63 S. Ct. 1137, 87 L. ed. 1504 (1943); *reh. den.*, 320 U.S. 810, 64 S. Ct. 27, 88 L. ed. 489 (1943); United States v. Emory et al., 314 U.S. 423, 62 S. Ct. 317, 86 L. ed. 315 (1941); State of Oklahoma v. Guy F. Atkinson Co. et al., 313 U.S. 508, 61 S. Ct. 1050, 85 L. ed. 1487 (1941); Johnson v. Maryland, 254 U.S. 51, 41 S. Ct. 16, 65 L. ed. 126 (1920); Easton v. Iowa, 188 U.S. 220, 23 S. Ct. 288, 47 L. ed. 452 (1903); Ohio v. Thomas, 173 U.S. 276, 19 S. Ct. 453, 43 L. ed. 699 (1899); Tennessee v. Davis, 100 U.S. 257, 25 L. ed. 648 (1880).

[27] State of Oklahoma v. Guy F. Atkinson Co. et al., cited footnote 26, *supra*.

[28] Ohio v. Thomas, cited footnote 26, *supra*.

reserve to a state commission the power to determine the extent to which, and the conditions on which, common carriers may transport property for the federal government at reduced rates),[29] it has been swept aside by the Court's decisions.

Here, by enjoining petitioner from engaging, in the State of Florida, in activities which have been authorized by regulations of the Commissioner of Patents, the Supreme Court of Florida has, to that extent, nullified the regulations and denied the Commissioner's power to regulate practice before the Patent Office—a type of power regarded by this Court as "so necessary" to the proper functioning of another federal administrative agency that it was found to be included, by implication, in the agency's general power to control its own procedures.[30] And if the State can lawfully revoke, *pro tanto,* petitioner's license to practice before the United States Patent Office, it can take similar action with respect to other non-lawyers—and also, it would seem, with respect to lawyers who are not members of the Florida Bar.[31]

Moreover, by asserting, as dominant, the power of the State to determine who may engage—or at least who may *not* engage—in practice before the United States Patent Office, in Florida, the Florida Court would destroy the nation-wide uniformity of regulation obviously contemplated by Congress and the Com-

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[29] Public Utilities Commission of the State of California v. U.S., cited footnote 26, *supra.*

[30] See Goldsmith v. United States Board of Tax Appeals, 270 U.S. 117, 122, 46 S. Ct. 215, 217, 70 L. ed. 494, 496 (1926).

[31] See footnote 19, *supra.*

missioner's regulations, and substitute a conglomerate system under which each state would be free to engraft local exceptions and limitations upon the federal pattern.[32] For, if Florida has the power to override the Commissioner's regulations insofar as they apply within its boundaries, so has each of the other states.

There can be no question, therefore, that the action of the Court below constitutes a direct interference with the efforts of the Commissioner of Patents to regulate practice before the United States Patent Office, and that such intereference would, in due course, obstruct the operations of the Patent Office itself, particularly if the power, asserted by the Court below, were freely exercised by the states.

b. The same rationale applies in cases where a state attempts to impose conflicting requirements upon, or to assert a veto power over, the selection by federal authorities of persons (such as contractors and licensees) to receive special authorizations to engage in activities essential, or closely related, to the functioning of the government itself or to approved governmental programs. In *Leslie Miller, Inc.* v. *State of Arkansas*,[33] this Court reversed a conviction, under a state statute, of a construction contractor for bidding on, executing, and commencing work under, a contract with the federal government without first obtaining a

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[32] The Court below does not claim the power to grant admission to practice before the Patent Office, or the concomitant power to disbar. Presumably, therefore, such matters would continue to be governed by regulations of the Commissioner of Patents, but subject to such action as might be taken by the states under the power asserted by the Court below.

[33] 352 U.S. 187, 77 S. Ct. 257, 1 L. ed. 2d 231 (1956).

state license. In a *Per Curiam* opinion, the Court said:[34]

> "Subjecting a federal contractor to the Arkansas contractor license requirements would give the State's licensing board a virtual power of review over the federal determination of 'responsibility' and would thus frustrate the expressed federal policy of selecting the lowest responsible bidder. In view of the federal statute and regulations, the rationale of Johnson v Maryland, 254 US 51, 57, 65 L ed 126, 129, 41 S Ct 16, is applicable * * *."

Similarly, in *First Iowa Hydro-electric Cooperative* v. *Federal Power Commission*,[35] the Court held that an applicant for a license under the Federal Power Act could not be required, as a condition precedent, to obtain a state permit, for such a requirement "would vest in the * * * [state licensing agency] a veto power over the federal project."[36] And it follows, necessarily, that a state may not lawfully interfere with, or prohibit, the activities of such a person, once they have been validly authorized by the federal government.[37]

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[34] 352 U.S. at p. 190, 77 S. Ct. at pp. 258-9, 1 L. ed. 2d at p. 233.

[35] 328 U.S. 152, 66 S. Ct. 906, 90 L. ed. 1143 (1946).

[36] 328 U.S. at p. 164, 66 S. Ct. at pp. 911-2, 90 L. ed. at p. 1150.

[37] Leslie Miller, Inc. v. State of Arkansas, cited footnote 33, *supra*. Huron Portland Cement Company v. City of Detroit et al., 362 U.S. 440, 80 S. Ct. 813, 4 L. ed. 2d 852 (1960), is not to the contrary, at least in principle. Although the dissenting Justices felt that the Court had disregarded the long-accepted doctrine that "No State law can hinder or obstruct the free use of a license granted under an act of Congress", (362 U.S. at p. 454, 80 S. Ct. at p. 821, 4 L. ed. 2d at p. 862), the majority concluded that there was no "overlap" or conflict between the applicable federal and state laws (362 U.S. at p. 446, 80 S. Ct. at p. 817, 4 L. ed. 2d at p. 858).

Here, the Commissioner of Patents has passed upon petitioner's qualifications and has registered him as a person "entitled to represent applicants before the Patent Office in the preparation and prosecution of applications for patent" and "to practice before the Patent Office". The Supreme Court of Florida has, by its injunction, vetoed the Commissioner's selection of petitioner as a person qualified to engage in those activities, *in Florida*, and has prohibited petitioner from so doing.[38] Although petitioners's practice before the Patent Office is not, concededly, the performance of a governmental function, it is closely related to the functioning of the Patent Office itself. In the same sense that attorneys are "officers" of the courts before which they practice, petitioner, as a member of the Patent Office bar, is an "officer" of that agency. And there is no question that the functioning of a court or adminstrative agency is affected by, and, in a sense, dependent upon, the quality and performance of the bar practicing before it. Hence, by asserting the power of Florida (and other states) to veto the Commissioner's selection of persons qualified to practice before the Patent Office and to revoke, in part, licenses which he may grant, the Florida Court has erected an obstacle, of potentially major proportions, to the proper functioning of a federal agency.

c. Even when there is no direct interference with the activities of the federal government, this Court has held in numerous cases that a state may not deny, or restrain the exercise of, rights or privileges validly

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[38] Except, perhaps, for appearances in Patent-Office proceedings held in Florida. See footnote 19, *supra*.

granted by federal authority.[39] The federally-guaranteed right of employees, for example, to select their own bargaining representatives[40] and to strike[41] may not be impaired by state action. Similarly, rights of action created by Congress may not be defeated or unnecessarily burdened by state procedural requirements.[42] "It is elementary that what Congress constitutionally has given, the state may not constitutionally take away."[43]

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[39] *E.g.*, Local 24 of I.B. of T., C., W. & H. etc. et al. v. Oliver et al., 358 U.S. 283, 79 S. Ct. 297, 3 L. ed. 2d 312 (1959); United Mine Workers of America et al. v. Arkansas Oak Flooring Company, 351 U.S. 62, 76 S. Ct. 559, 100 L. ed. 941 (1956); Cox et al. v. Roth, 348 U.S. 207, 75 S. Ct. 242, 99 L. ed. 260 (1955); Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America et al. v. Wisconsin Employment Relations Board, 340 U.S. 383, 71 S. Ct. 359, 95 L. ed. 364 (1951); International Union of United Automobile, Aircraft and Agricultural Implement Workers of America v. O'Brien et al., 339 U.S. 454, 70 S. Ct. 781, 94 L. ed. 978 (1950); Brown v. Western Railway of Alabama, 338 U.S. 294, 70 S. Ct. 105, 94 L. ed. 100 (1949); Hill et al. v. State of Florida, 325 U.S. 538, 65 S. Ct. 1373, 89 L. ed. 1782 (1945).

[40] Hill et al. v. State of Florida, cited footnote 39, *supra*.

[41] Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America et al. v. Wisconsin Employment Relations Board, and International Union of United Automobile, Aircraft and Agricultural Implement Workers of America v. O'Brien et al., cited footnote 39, *supra*.

[42] Cox et al. v. Roth, and Brown v. Western Railway of Alabama, cited footnote 39, *supra*.

[43] See International Union, U.A.W., etc., et al. v. Wisconsin Employment Relations Board et al., 336 U.S. 245, 254, 69 S. Ct. 516, 522, 93 L. ed. 651, 663 (1949).

Even though the decision below be viewed solely from the standpoint of its effect upon petitioner—and without regard to its relationship to the Commissioner's regulations, or his control over the practice before, and procedures of, the Patent Office, or the operations of the Patent Office itself—, the answer is the same. Petitioner has a federaly-granted right or privilege to engage in practice before the United States Patent Office. The Court below has denied that right or privilege, and prohibited him from exercising it, in Florida. It has attempted to take away what federal authority has constitutionally given—and "it is elementary" that it may not constitutionally do so.

CONCLUSION

For the reasons stated, the decision below should be reversed.

Respectfully submitted,

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Dated: December 14, 1962.

CERTIFICATE OF SERVICE

I, D. W. Markham, one of the attorneys for the Association of Interstate Commerce Commission Practitioners, *amicus curiae* herein, and a member of the Bar of the Supreme Court of the United States, hereby certify that, on the 14th day of December, 1962, I served copies of the foregoing brief on the petitioner

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Office-Supreme Court, U.S.
FILED
DEC 18 1962
JOHN F. DAVIS, CLERK

In the Supreme Court
OF THE
United States

OCTOBER TERM, 1962

No. 322

ALEXANDER T. SPERRY,
Petitioner,
vs.
STATE OF FLORIDA, ex rel., THE FLORIDA BAR,
Respondent.

On Writ of Certiorari to the Supreme Court of Florida

BRIEF FOR THE PETITIONER

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BRIEF FOR THE PETITIONER

OPINION BELOW

The opinion of the Supreme Court of Florida (R. 51-68) is reported at 140 So.2d 587.

JURISDICTION

The original opinion and judgment of the Supreme Court of Florida was entered on April 4, 1962 (R. 13). A

timely petition for rehearing (R. 31) was denied on May 15, 1962 (R. 51). At that time the Court modified its opinion (R. 51) and the judgment (R. 67-68) became final. The petition for writ of certiorari was filed August 10, 1962, and was granted October 22, 1962. The jurisdiction of this Court rests on 28 U.S.C. § 1257(3).

QUESTION PRESENTED

Petitioner, a non-lawyer, has been authorized by the Commissioner of Patents to practice before the United States Patent Office. Such practice consists of representing applicants, preparing and prosecuting their applications, and advising them in that connection. Petitioner has been regularly engaged in such practice in Florida but has been enjoined by the Court below, on the ground that such practice by non-members of the Florida bar is "unauthorized" practice of law.

The question presented is whether a *state* may prohibit such Patent Office practice by federally licensed lay practitioners—limiting the right to engage in it to members of its bar—when Congress has authorized the *Commissioner* to regulate all phases of such practice and has expressly authorized him to license qualified non-lawyers therefore.

CONSTITUTIONAL PROVISIONS, STATUTES, AND REGULATIONS INVOLVED

The constitutional provisions involved are the Patent and Copyright Clause (Art. I, Sec. 8, Cl. 8), the Necessary and Proper Clause (Art. I, Sec. 8, Cl. 18), and the

Supremacy Clause (Art. VI, Cl. 2) of the Constitution of the United States. They are printed in Appendix A, p. 1, *infra.*

The statutes involved are Sections 31-33 of the Patent Act c. 950, 66 Stat. 792, 35 U.S.C. §§ 31-33. They are printed in Appendix A, pp. 1-2, *infra.*

The federal regulations involved are Rules 31, 341-348 of the Rules of Practice of the United States Patent Office in Patent Cases, 24 F.R. 10332, 37 C.F.R. §§ 1.31, 1.341-1.348. They are printed in Appendix A, pp. 2-11, *infra.*

The state regulation involved is Section 2, Article 2, of the Integration Rule of the Florida Bar, 31 F.S.A. It is printed in Appendix A, p. 11, *infra.*

STATEMENT OF THE CASE

Petitioner was admitted to practice by the United States Patent Office in 1928 and has been continuously registered for practice before it ever since (R. 8). When the present controversy arose, he maintained an office in Florida, where he actively and openly engaged in practice as a Patent Office practitioner (R. 6). That is, he held himself out as qualified to represent applicants in the Patent Office; he prepared and prosecuted patent applications; and as a necessary first step in the process, he advised potential applicants as to the patentability of their inventions (R. 7).

However, petitioner is not a member of the bar of any state, including the State of Florida (R. 6). That is true also of nearly a quarter of the nation's registered

Patent Office practitioners,[1] and of 54 of the 73 patent practitioners in Florida[2]. It is further the fact that nearly half of the patent practitioners throughout the country are not members of the bar in the states in which they practice, and that 62 of the 73 patent practitioners in Florida are not members of the Florida Bar.

The Commissioner of Patents authorizes such non-lawyers to practice pursuant to a comprehensive federal regulatory scheme, which needs a brief description at the outset for an understanding of this case. By statute, Congress has authorized the Commissioner "to prescribe regulations governing" all phases of Patent Office practice, including admission thereto and exclusion therefrom (35 U.S.C.A. §§ 31-33); and further, has expressly authorized the Commissioner to admit to practice not only attorneys, but "agents" and "other persons" as well (35 U.S.C. § 31). Accordingly, the Commissioner has prescribed detailed regulations pursuant to that broad congressional mandate (37 C.F.R. §§ 1.31, 1.341-1.348). Those

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[1]The official records of the Patent Office, maintained in accordance with the provisions of 37 C.F.R. 1.341, list 7,232 persons in the United States who are registered to represent patent applicants before the Patent Office. Of these, over 45% (3,307) are not admitted to the bar of the state in which they practice. The list breaks down as follows:

Attorneys having office addresses in states where they are members of the bar	3,925
Attorneys having office addresses in states where they are not members of the bar	1,619
Lay "Patent Attorneys" registered prior to November 15, 1938	513
Lay "Patent Agents" registered subsequent to November 15, 1938	1,175

[2]"Patent Attorneys and Agents available to represent inventors before the U. S. Patent Office", U. S. Department of Commerce, Patent Office, October 1, 1961, available from the Superintendent of Documents, U. S. Government Printing Office.

regulations expressly provide for practice by qualified non-lawyers (37 C.F.R. § 1.341(b)).

The prerequisites for admission to practice—applicable equally to lawyers and non-lawyers—are spelled out by the Patent Act and the Commissioner's regulations. Applicants for admission must be of good moral character and good repute, and must show that they possess the legal, scientific and technical qualifications required to enable them to serve patent applicants effectively in the presentation and prosecution of applications in the Patent Office (35 U.S.C. § 31; 37 C.F.R. § 1.341(c)). Additionally, applicants must pass a rigorous examination administered by the Patent Office (37 C.F.R. § 1.341(c)).

All persons who have met those requirements, whether or not they are lawyers, are "admitted to practice before the Patent Office" (37 C.F.R. § 1.341(a), (b)), and their names are enrolled on an appropriate register of practitioners who are "recognized as entitled to represent applicants before the Patent Office in the preparation and prosecution of applications for patent" (37 C.F.R. § 1.341). Their practice must conform to the extensive Patent Office Rules of Practice in Patent Cases (37 C.F.R. §§ 1.1-1.352), including the standards of professional conduct prescribed thereby (e.g., 37 C.F.R. §§ 1.344, 1.345); and failure to observe those requirements may result in disciplinary proceedings before the Patent Office, leading to suspension or exclusion from practice, subject only to review by the federal courts (35 U.S.C. § 32; 37 C.F.R. § 1.348).

The present controversy arose on February 23, 1961, when the Florida Bar instituted this action by petitioning

the Supreme Court of Florida for a rule requiring petitioner to show cause why he should not be enjoined from engaging in the unauthorized practice of law (R. 2). The Bar contended, in substance, that the activities in which petitioner was engaged are unlawful when performed by a non-lawyer of the state bar, under Section 2, Article 2, of the Integration Rule of the Florida Bar (R. 2-4).[3]

On March 6, 1961, the Court issued the requested rule to show cause (R. 5), and ten days later petitioner filed a responsive pleading (R. 6). In it, he admitted that he was engaged in the activities here in question (R. 6, 7), and alleged, by way of defense, that he was registered for such practice by the United States Patent Office (R. 8).

As there was no dispute concerning the material facts, the cause was argued and submitted on the pleadings and briefs, without the taking of testimony (R. 53).

On May 4, 1962, the Court filed an original opinion (R. 13), which, with a minor change mentioned hereafter, eventually became its final decision (R. 51). In the opinion, the Court disposed of the state law questions first, holding that for purposes of the Integration Rule, the representation of applicants before the Patent Office in the preparation and prosecution of patent applications constitutes the practice of law (R. 61-62). Then, addressing the federal question, it held that petitioner's federal license did not give him the right to engage in such practice without complying with the state's requirements for

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[3] "2. No person shall engage in any way in the practice of law in this state unless such person is an active member of the Florida Bar, in good standing * * *."

admission to law practice (R. 65); and indeed, on the contrary, that even though the Patent Office had licensed petitioner to practice before it, the state's police power permits it "to deny [him] the right to so practice" in Florida (R. 55). In other words, the Court was of the opinion that federal law did not, and could not, authorize petitioner to engage in Patent Office practice in Florida without being admitted to the Florida Bar.

Therefore, the Court enjoined petitioner from, inter alia, preparing and prosecuting applications for letters patent and amendments thereto; from holding himself out as qualified therefor; from rendering opinions as to patentability—concededly a necessary first step in representing another in securing a patent (R. 59); from describing himself as a "patent attorney" in accordance with his Patent Office registration[4]—a practice which he had voluntarily ended (R. 7). The injunction was limited, of course, to such activities within the State of Florida (R. 67).

On April 16, 1962, before the Court's decision became final, petitioner filed a timely petition for rehearing (R. 31). In it, he pointed out the squarely conflicting decision of the Ohio Court of Appeals in *Battelle Memorial Institute v. Green et al.*, 133 U.S.P.Q. 49 (unreported in the state reporter system but printed at R. 34). That case,

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[4]All persons registered with the Patent Office prior to November 15, 1938, were registered as "patent attorneys," whether they were attorneys at law or not, and such registrations have not been changed by the Patent Office. Non-lawyers admitted subsequently are registered as "patent agents." There is no differentiation between "patent attorneys" and "patent agents," however, with respect to the activities authorized by their registration (see, e.g., 37 C.F.R. §§ 1.31 and 1.341, Appendix A, pp. 2-6, *infra*).

which reversed certain trial court decisions mentioned in the original opinion below (R. 18),[5] held that the federal government had occupied the field of Patent Office practice regulation to the exclusion of the states; and that, as a consequence, the states have no power to prohibit the preparation and prosecution of patent applications by registered Patent Office practitioners, even though those practitioners are not authorized by state law to engage in the practice of law (R. 44). Petitioner therefore sought further consideration of the Court's conclusions with respect to the federal question (R. 31-34).

On May 15, 1962, the Court filed a "corrected" opinion from which references to the reversed Ohio decisions (R. 18-19) had been deleted at R. 57. With that minor modification of the Court's opinion, the petition for rehearing was denied (R. 51). The next day, the Court stayed execution and enforcement of its judgment for ninety days, to enable petitioner to seek review by this Court (R. 69).

SUMMARY OF ARGUMENT

This case involves a conflict between the power of the federal government to operate the United States Patent Office and the police power of the states to regulate the

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[5] *Battelle Memorial Institute v. Green, et al.*, 84 O.L.A. 353, 173 N.E.2d 201 (Ohio Court of Common Pleas, Franklin County, 1961); *In re Battelle Memorial Institute*, 170 N.E.2d 774 and 172 N.E.2d 917 (Ohio Court of Common Pleas, Franklin County, 1960). Also cited in the original opinion below, but deleted from the final version, was another decision which was, in effect, overruled by the Court of Appeals in the *Battelle* case: *Marshall v. New Inventors Club, Inc.*, 69 O.L.A. 578, 117 N.E.2d 737 (Ohio Court of Common Pleas, Cuyhoga County, 1953).

practice of law within the states. The conflict exists here because petitioner has been granted the right by the Commissioner of Patents, acting under authorization by Congress, to practice before the Patent Office, but respondent, the State of Florida, has denied him that right as long as he resides in Florida, because petitioner is not a member of the Florida bar. That is, Congress has determined that both attorneys and agents may be patent practitioners, but the State of Florida says that only attorneys may be patent practitioners in Florida.

Historically, both attorneys and agents have practiced in the Patent Office. Such practice has been approved by Congress as early as 1870, when Congress first referred to patent agents in the statutes. The present case is the first time that any state has ever held that patent agents could not practice before the Patent Office, i.e., that they could not represent patent applicants in the preparation and prosecution of patent applications.

The patent law (including the statutes and rules of the Patent Office) does not state specifically that the states are forbidden to regulate patent practitioners. For this reason respondent says that this silence leaves the states free to exercise their traditional police powers so that they may impose their own regulations on patent practitioners and limit practice before the Patent Office to only those patent practitioners who are members of the state bar.

However, this is a proper case where congressional intent to supersede the police power of a state should be implied, although not expressly stated. Following the criteria listed in *Rice v. Santa Fe Elevator Corporation*,

331 U.S. 218, 67 S. Ct. 1146, 91 L. Ed. 1447 (1947), supersession of state police power should be implied because: (1) the federal interest in the operation of the federal patent system is so dominant as to preclude regulation thereof by the states; (2) the scheme of federal regulation of the admission, conduct and discipline of patent practitioners is so comprehensive and pervasive as to make reasonable the inference that Congress left no room for the states to supplement it; (3) the objects of the federal regulations and the state action are precisely the same, namely, to protect the public against representation before the Patent Office by unqualified patent practitioners; and (4) the policy of Florida to exclude non-lawyer patent practitioners from practice before the Patent Office is plainly inconsistent with the objective of Congress to permit non-lawyer patent practitioners to practice.

Since the clear intent of the federal patent law is to exclude state action pertaining to the regulation of patent practitioners, and since in cases of conflict the federal power is supreme under the Constitution, then the court below exceeded its power and erred in suspending petitioner from practice before the Patent Office.

ARGUMENT

Petitioner has been duly authorized by the Commissioner of Patents, pursuant to Federal law, to represent applicants before the United States Patent Office in the preparation and prosecution of patent applications. The question involved here is whether a state has power to suspend this right.

The Court below decided that it had this power and held that petitioner should be prohibited from carrying on business as a registered patent practitioner in Florida, solely on the ground that petitioner was not a member of the Florida bar and that the state must protect its citizens from being represented in patent matters by non-lawyers.

At the outset, it must be emphasized that the only right of petitioner that is here involved is his right to practice before the Patent Office. Petitioner does not contend that he has a right to practice in any area of law regulated by the State of Florida, or that he has any right to represent persons before any agency, board, commission or Court of Florida, nor does he urge this Court to declare that he has such rights.

One of the bases for the decision of the Court below is that practice before the Patent Office does, in fact, constitute the practice of law (R. 62). Although the case law is unsettled on this particular point, we contend that it is immaterial whether Patent Office practice is considered as "a practice of law" or not. Instead, we contend that Patent Office practice is a practice (whether legal or not) which is defined by federal law and one which the federal government alone has power to regulate. More specifically, we contend that the federal government has fully occupied the field of patents and has fully legislated and ruled upon who may practice before the Patent Office and who may be suspended from practice before the Patent Office.

This complete power over practice before the Patent Office supersedes any power of a state to regulate this

practice. As a consequence, the Court below exceeded its powers and its action was, accordingly, improper.

The Court below and respondent in its brief in opposition to the petition for certiorari urge that the states have a historic right to define the practice of law, to determine who is qualified to practice within its borders and to protect their citizens from unauthorized practice.[6] As a general proposition, this is correct. However, even historic rights of states must give way if they are exercised in conflict with powers delegated to and exercised by the federal government.

> *Parker v. Brown*, 317 U.S. 341, 359, 63 S. Ct. 307, 87 L. Ed. 315 (1943)
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> "The governments of the states are sovereign within their territory save only as they are subject to the prohibitions of the Constitution or as their action in some measure conflicts with powers delegated to the National Government, or with Congressional legislation enacted in the exercise of those powers. * * *"[11]

Although the state statute here involved[7] is not contrary on its face to the proper exercise of a federal power in that there is no provision that patent practitioners are to be excluded from practice in Florida if they are not members of the Florida Bar, nevertheless, the application of this statute by the Supreme Court of Florida to petitioner places it in direct conflict with the federal patent laws. It is, however, unimportant that the State of Florida has acted through its judicial branch,

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[6]R. 65; "Brief in Opposition to Petition for Writ of Certiorari to the Supreme Court of Florida", pp. 6 and 7.

[7]Section 2, Article 2, of the Integration Rule of the Florida Bar, 31 F.S.A., printed in Appendix A, p. 11, *infra*.

rather than through its legislative branch, since the action of the Court below is still an exercise of state power that must be scrutinized by this Court."

As indicated by the dissenting opinion of Justice Burton in *People of State of California v. Zook*, 336 U.S. 725, 749, 69 S. Ct. 841, 852, 93 L.Ed. 1005 (1949), we should not consider merely the historic rights of a state, but should also look to the nature of the federal power involved:

> "We start not merely with the inherent right of a state to exercise its police power over acts within its jurisdiction. We start also with the constitutional provisions by which the supreme legislative power of the respective states has been delegated to Congress to regulate interstate commerce.
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> Once Congress has lawfully exercised its legislative supremacy in one of its allotted fields and has not accompanied that exercise with an indication of its consent to share it with the states, the burden of overcoming the supremacy of the federal law in that field is upon any state seeking to do so."

THE HISTORICAL BACKGROUND OF THE FEDERAL PATENT SYSTEM DEMONSTRATES THE LONG-CONTINUED PURPOSE OF CONGRESS TO PERMIT BOTH AGENTS AND ATTORNEYS TO PRACTICE BEFORE THE PATENT OFFICE AND ALSO DEMONSTRATES THE INTENTION OF CONGRESS TO REGULATE FULLY THE ADMISSION, CONDUCT AND SUSPENSION OF PATENT PRACTITIONERS.

The Constitution of the United States, Art. 1, §§ 8 and 18, confers upon Congress the power "to promote the

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"*National Ass'n. of A. of C. P. v. State of Alabama*, 357 U.S. 449, 463, 78 S. Ct. 1163, 1172, 2 L. Ed. 2d 1488 (1958).

progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries" and "to make all laws which shall be necessary and proper for carrying into execution the foregoing powers and all other powers vested by this Constitution in the Government of the United States."

The first statute on the subject of patents—Act of 1790, c. 7, 1 Stat. 109, §§ 1-7—authorized the issuance of patents by the Secretary of State, the Secretary for the Department of War, and the Attorney General, or any two of them, "if they shall deem the invention or discovery sufficiently useful and important." The Patent Act of 1793, c. 11, Stat. 318, which next followed authorized patents to be issued by the Secretary of State upon the certificate of the Attorney General that they are conformable to the act.

This continued to be the law until the passage of the Act of 1836, c. 357, 5 Stat. 117, §§ 1-21, at which time the Patent Office was created, the chief officer of which was designated as the Commissioner of Patents.

In 1870, the patent law was completely revised, c. 230, 16 Stat. 198, §§ 1-111. Since patent applicants had long been represented in the Patent Office by attorneys in fact, Congress recognized this in providing: "That for gross misconduct the Commissioner may refuse to recognize any person as a patent . . .",[9] and "That, when the nature of the case admits of drawings, the applicant shall furnish

[9]Act of 1870, c. 230, 16 Stat. 198, § 17.

one copy signed by the inventor of his attorney in fact . . ."[10]

In *Hoosier Drill Co. v. Ingels*, 15 O.G. 1013 (1879), the court stated that: "The law seems to prescribe no qualifications, either of capacity, character, age, sex, or citizenship, or of any other kind, for patent agents." It was declared in *Osgood v. Badger*, 44 O.G. 1065 (1884), that patent attorneys are not required to be learned lawyers.

In one of the early texts on patent law, *Robinson on Patents*, Little, Brown and Company (1890), it was stated (at p. 15, Vol. II):

> "An inventor may choose any person of intelligence and good moral character to act as his attorney in the prosecution of his application for patent. Over all such attorneys, the Commissioner of Patents has a certain authority and he may pass upon appointments and dismissals."

Pursuant to the authority granted to him in the Patent Act of 1870 to adopt rules regulating Patent Office proceedings,[11] the Commissioner from time to time promulgated rules governing the recognition of both attorneys and agents as patent practitioners.[12]

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[10] Ibid: § 27.

[11] Act of 1870, c. 230, 16 Stat. 198, § 19.

[12] Typical of these rules are the following two rules of 1907, reprinted in *Hopkins on Patents*, Callaghan & Company, (1911) at pp. 1322-1325:

> "Rules of Practice in the United States Patent Office. Revised July 17, 1907.
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> • • •
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> "17. A register of attorneys will be kept in this office, on which will be entered the names of all persons entitled to represent applicants before the Patent Office in the presentation and prosecution of applications for patent. The names of

In 1922, as a recognition of the existing practice, Congress specifically authorized the Commissioner of Patents to recognize both attorneys and non-attorneys to represent patent applicants.[13] In this act, Congress treated attorneys and non-attorneys as equals, ending the automatic registration of attorneys in the Patent Office, and allowing the Commissioner to require members of either group to show that they had the necessary qualifications

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persons in the following classes will, upon their written request, be entered upon this register.

(a) Any attorney at law who is in good standing in any court of record in the United States or of any of the States or Territories thereof and shall furnish a certificate of the clerk of such United States, State or Territorial court, duly authenticated under the seal of the court, that he is an attorney in good standing.

(b) Any person not an attorney at law who shall file proof to the satisfaction of the Commissioner that such person is of good moral character and of good repute and possessed of the necessary qualifications to enable him to render applicants for patent valuable service, and is otherwise competent to advise and assist them in the presentation and prosecution of their applications before the Patent Office."

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"22 (e). For gross misconduct the Commissioner may refuse to recognize any person as a patent agent, either generally or in any particular case, but the reasons for such refusal will be duly recorded and be subject to the approval of the Secretary of the Interior."

[13] Patent Act of 1922, c. 58, 42 Stat. 390, § 3:

"The Commissioner of Patents, subject to the approval of the Secretary of the Interior, may prescribe rules and regulations governing the recognition of agents, attorneys or other persons representing applicants or other parties before his office, and may require of such persons, agents, or attorneys, before being recognized as representatives of applicants or other persons, that they show that they are of good moral character and in good repute, are possessed of the necessary qualifications to enable them to render to applicants or other persons valuable service, and are likewise competent to advise and assist applicants or other persons in the presentation or prosecution of their applications or other business before the office . . ."

to enable them to advise clients and to prepare and prosecute patent applications in the Patent Office.

By the same act, Congress vested the Commissioner with power to discipline both patent attorney and agent practitioners. The provisions apply with equal force to both attorneys and non-attorneys.[14]

In 1934, the Commissioner of Patents issued an order[15] requiring all persons (whether attorneys or non-attorneys) desiring to be registered as a patent attorney to take an examination in order to establish that they have the requisite legal and scientific knowledge to qualify them to render service as patent attorneys.[16]

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[14] Patent Act of 1922, c. 58, 42 Stat. 390, § 3:

"... and the Commissioner of Patents may, after notice and opportunity for a hearing, suspend or exclude, either generally or in any particular case, from further practice before his office any person, agent or attorney shown to be incompetent or disreputable, or guilty of gross misconduct, or who refuses to comply with the said rules and regulations, or who shall with intent to defraud in any manner, deceive, mislead, or threaten any applicant or prospective applicant, or other person having immediate or prospective business before the office, by word, circular, letter or advertising. The reasons for any such suspension or exclusion shall be duly recorded, and the action of the Commissioner may be reviewed upon the petition of the person so refused recognition or so suspended or excluded by the Supreme Court of the District of Columbia under such conditions and upon such proceedings as the said court may by its rules determine."

[15] Commissioner's Order No. 3266, March 12, 1934, 440 O.G. 781.

[16] It has been held, *Caples v. Marzall*, 101 F. Supp. 579, (D.C., D.C., 1952), affirmed 204 F. 2d 58, that the Commissioner has the authority and duty to require an examination to ascertain the qualifications of applicants for admission to practice before the Patent Office and the power to reject applicants who fail to pass such an examination. The Court briefly described the scope of this examination:

"The first part of the examination consisted of thirty-five questions as to law and practice, and the second part six questions designed to test the applicant's knowledge of the preparation of apparatus and process claims. • • •"

The patent laws were next revised in 1952, when Congress passed the current Patent Act of 1952, c. 950, 66 Stat. 792, §§ 1-293. Again Congress authorized the Commissioner of Patents to "prescribe regulations governing the recognition and conduct of agents, attorneys or other persons representing applicants or other parties before the Patent Office."[17] The Commissioner of Patents was further authorized to "require them, before being recognized as representatives of applicant or other persons, to show that they are of good moral character and reputation and are possessed of the necessary qualifications to render to applicant or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office."[18]

Congress also vested in the Commissioner of Patents the power to suspend or exclude from further practice before the Patent Office any person, agent or attorney for various enumerated offenses. The United States District Court for the District of Columbia was given power to review the action of the Commissioner.[19]

Congress further manifested its intent that the Commissioner should have exclusive authority over patent practitioners by making it an offense for a person to hold himself out as qualified to prepare or prosecute patent applications without being recognized by the Commissioner to practice before the Patent Office.[20]

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[17] 35 U.S.C. 31.
[18] Ibid.
[19] 35 U.S.C. 32.
[20] 35 U.S.C. 33.

Pursuant to the authority vested in him, the Commissioner has prescribed comprehensive rules governing the recognition of patent practitioners.[21] These rules, of course, have the effect of law.[22] A patent applicant may be represented by an "agent authorized to practice before the Patent Office in patent cases."[23] Any person desiring to be authorized to practice before the Patent Office, whether attorney or agent, must "establish to the satisfaction of the Commissioner that he is of good moral character and of good repute and possessed of the legal and scientific and technical qualifications necessary to enable him to render applicants for patents valuable services, and is otherwise competent to advise and assist them in the presentation and prosecution of their applications before the Patent Office."[24] All prospective practitioners, whether attorneys or agents, are required to take and pass an examination.[25]

Patent practitioners, whether attorneys or agent, "must conform to the standards of ethical and professional con-

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[21]37 C.F.R. 1.31, 1.341-1.348.

[22]*United States ex rel. Steinmetz v. Allen*, 192 U.S. 543, 24 S. Ct. 416, 419, 48 L. Ed. 555 (1904).

"By § 483 of the Revised Statutes (U.S. Comp. Stat. 1901, p. 272), the Commissioner of Patents, subject to the approval of the Secretary of the Interior, is empowered to establish from time to time regulations not inconsistent with law, for the conduct of proceedings in the Patent Office. The Commissioner of Patents, exercising the power conferred, established, among other rules of practice, rule 41. It thereby became a rule of procedure, and constituted, in part, the powers of the primary examiner and Commissioner. In other words, it became an authority to those officers, and, necessarily, an authority 'Under the United States.' * * *"

[23]37 C.F.R. 1.31.

[24]37 C.F.R. 1.341(c).

[25]Ibid.

duct generally applicable to attorneys before the Courts of the United States."[26]

Under the rules of the Patent Office, the Commissioner is given exclusive power to discipline patent practitioners. "Except as otherwise provided, proceedings for suspension, disbarment, or exclusion from practice are before a Commissioner."[27] "The duties of investigation, preparing charges, collecting and presenting testimony, and presenting a case for suspension, exclusion from practice or disbarment shall be performed by the Solicitor of the Patent Office."[28] "Proceeding for suspension or disbarment shall be instituted by the Solicitor."[29] The Commissioner "will set the case for hearing before him."[30] "Proceedings shall be governed, in matters not specifically set forth herein, by the provisions of the Administrative Procedure Act, 60 Stat. 237; 5 U.S.C. 1001-1011, which may be applicable."[31]

The operation of the Patent Office is plainly national in scope. There is a single Patent Office, located in Washington, D.C.; there are no branch offices located throughout the states. Except for occasional visits by patent practitioners to the Patent Office to discuss particular applications with the patent examiners or to argue appeals, motions and interferences, the great bulk of patent practice is carried on by mail. Indeed, Rule 2 of the Patent

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[26] 37 C.F.R. 1.344.
[27] 37 C.F.R. 1.348.
[28] 37 C.F.R. 1.348(a).
[29] 37 C.F.R. 1.348(b).
[30] 37 C.F.R. 1.348(d).
[31] 37 C.F.R. 1.348(f).

Office provides that "all business with the Patent Office should be transacted in writing. The personal attendance of applicants or their attorneys or agents at the Patent Office is unnecessary."[32] On this account, patent practitioners and agents reside throughout the United States, where they may be near their clients. The geographical scattering of patent practitioners may be best illustrated from the fact that patent practitioners reside and practice in forty-eight of the fifty states (all save Alaska and North Dakota) and in the District of Columbia.[33] As of January 23, 1962, 7,232 patent practitioners were registered by the Patent Office, 3,925 of whom are attorneys of the state where they practice and 3,307 of whom are not members of the bar where they practice.[34]

Regardless of where they practice, or whether they are attorneys or agents, all patent practitioners must practice before the Patent Office in accordance with the one set of rules established by the Commissioner. These rules are completely uniform in application throughout the country. There are no provisions whatsoever for local exceptions to the rules based upon particular or peculiar circumstances existing in any city, state, region or area of the country, nor is there any authority delegated by Congress or the Commissioner to any political subdivision of the United States to make any local regulations concerning practice before the Patent Office.

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[32]37 C.F.R. 1.2.

[33]"Patent Attorneys and Agents available to represent inventors before the U. S. Patent Office", U. S. Department of Commerce, Patent Office, October 1, 1961, available from the Superintendent of Document, U. S. Government Printing Office.

[34]See footnote 1, supra.

As is apparent from the above discussed Patent Act of 1952 and the rules of practice of the Patent Office, practice before the Patent Office, skill in engineering and scientific matters and familiarity with patent procedures are just as necessary as skill in legal matters.

The mixed quality of this skill has long been recognized by this Court. In discussing the problems involved in the grant of a patent by the Patent Office, this Court stated in *Butterworth v. United States*, 112 U.S. 50, 5 S. Ct. 25, 29, 28 L.Ed. 656 (1884):

> "• • • The questions of fact arising in this field find their answers in every department of physical science, in every branch of mechanical art. The questions of law necessary to be applied in the settlement of this class of public and private rights have found a special branch of technical jurisprudence. The investigation of every claim presented involves the adjudication of disputed questions of facts, upon scientific or legal principles, and is, therefore, essentially judicial in its character, and requires the intelligent judgment of a trained body of skilled officials, expert in the various branches of science and art, learned in the history of invention, and proceeding by fixed rules to systematic conclusions."

To summarize the historical development of practice before the Patent Office, it has long been recognized that specialized technical skills are necessary to prepare and prosecute patent applications. Additionally, applicants for patents have traditionally been represented in the Patent Office by both attorneys and agents.

Since 1870, Congress has recognized this representation of patent applicants by agents and has given the

Commissioner of Patents power over the admission and exclusion of patent agents to and from practice before the Patent Office. This power was rather general in nature in the beginning, but it has become more and more specific as the years have passed. At the present time, it is plain that the Commissioner has sole and exclusive power to admit attorneys and agents to practice and the sole and exclusive power to exclude attorneys or agents from practice.

It has further been recognized by this Court that the responsibility of protecting the public from unqualified patent practitioners rests in the Commissioner of Patents.

> *Kingsland v. Dorsey*, 338 U.S. 318, 319, 70 S. Ct. 123, 124, 94 L.Ed. 123 (1950).
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> "* * * It was the Commissioner, not the courts, that Congress made primarily responsible for protecting the public from the evil consequences that might result if practitioners should betray their high trust. * * *"

THE COURT BELOW IMPROPERLY HELD THAT THE HISTORIC POLICE POWER OF A STATE GIVES IT POWER TO REGULATE FEDERAL PATENT PRACTITIONERS.

In spite of the historic background of practice before the Patent Office by both attorneys and agents, the Court below held that it had the power to exclude petitioner from practice before the Patent Office, maintaining that the historic right of a state to control the practice of law gives a state the right to insist that only members of its bar may represent patent applicants in the Patent

Office.[35] The Court below stated that its decision was not to be construed to affect petitioner's right to practice before the Patent Office when done outside of Florida,[36] but, nevertheless, the plain effect of the decision is to exclude petitioner from such practice while he resides in Florida.

In support of its decision, the Court below stated that there was "no provision in the Federal Constitution or statutes for that matter, that gives to any Federal body the power to determine who may practice law in the several states."[37]

Respondent in its brief in opposition to the Petition for Writ of Certiorari restates this position by recognizing that "there is no doubt that Congress, in the exercise of power delegated to it, may and can suspend, supersede or set aside any state law in conflict with the purpose and intent of Congress."[38] Respondent continues by saying that "such purpose must be clearly manifested."[39]

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[35]It is to be noted, however, that although non-lawyer patent agents have practiced throughout the country for many, many years that no state, prior to the decision of the Court below, has ever held that the "historic right of a state to control the practice of law" entitles a state to prevent a recognized patent practitioner from practicing before the Patent Office.

[36]R. 68.

[37]R. 65.

[38]"Brief in Opposition to Petition for Writ of Certiorari to the Supreme Court of Florida," p. 8.

[39]Ibid., p. 8.

This general rule that federal law shall not by mere implication be construed to supersede the exercise of the police powers of a state is expressed in the decisions of this Court cited by respondent at pages 9-11 of its brief, i.e., *Penn Dairies v. Milk Control Com-*

Respondent then argues that the patent law does not specifically forbid the states from regulating persons who desire to practice before the Patent Office and that, therefore, the states are free to regulate in this area. In other words, respondent takes the position that the purpose and intent of Congress to exclude state action can be manifested only if Congress specifically forbids the states to act in areas even which Congress may act.

This position is incorrect. Of course, the clearest manifestation of Congressional intent to exclude state action is found when Congress states that a state may not act. However, it has long been the law that once Congress has acted in a specific area over which it has power, this action is an expression of intent to exclude state action in the same area.

> *Prigg v. Commonwealth of Pennsylvania*, 16 Pet. 539, 617, 10 L.Ed 1060, 1090 (1842).
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> "* * * it would seem, upon just principles of construction, that the legislation of Congress, if constitutional, must supersede all State Legislation upon the same subject; and by necessary implication prohibit it. For, if Congress have a constitutional power to regulate a particular subject, and they do actually regulate it in a given manner, and in a certain form, it cannot be that the State Legislatures have a right to interfere, and, as it were, by way of complement to the legislation of Congress, to prescribe additional regulations, and what they may deem auxiliary provisions for the same purpose. In such a case, the

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mission, 318 U.S. 261, 63 S.Ct. 617, 87 L.Ed. 748 (1943), *People of State of California v. Zook*, 336 U.S. 725, 69 S.Ct. 841, 93 L.Ed. 1005 (1949) and *Schwartz v. State of Texas*, 344 U.S. 199, 73 S.Ct. 232, 97 L.Ed. 231 (1952).

> legislation of Congress, in what it does prescribe, manifestly indicates that it does not intend that there shall be any further legislation to act upon the subject matter. Its silence as to what it does not do is as expressive of what its intention is as the direct provisions made by it. This doctrine was fully recognized by this court in the case of *Houston v. Moore*, 5 Wheat. Rep. 1, 21, 22, where it was expressly held that where Congress have exercised a power over a particular subject given them by the Constitution, it is not competent for State legislation to add to the provisions of Congress upon that subject; for that the will of Congress upon the whole subject is as clearly established by what it had not declared as by what it has expressed."

Thus, contrary to respondent's contention that Congressional intent must be express to be manifest, it is plain that such intent may be implied in proper cases.

> *Bethlehem Steel Co. v. New York State Labor Rel. Bd.*, 330 U.S. 767, 772, 67 S. Ct. 1026, 1029, 91 L.Ed. 1234 (1946).
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> "* * * It long has been the rule that exclusion of state action may be implied from the nature of the legislation and the subject matter although express declaration of such result is wanting." * * *"

THE PRESENT CASE IS ONE IN WHICH IT SHOULD BE CLEARLY IMPLIED THAT CONGRESS INTENDED THE STATES TO BE PRECLUDED FROM IMPOSING THEIR REGULATIONS ON PATENT PRACTITIONERS.

This Court has laid down in *Rice v. Santa Fe Elevator Corporation*, 331 U.S. 218, 230, 67 S. Ct. 1146, 1152, 86 L.Ed. 754 (1942), the factors which should be considered

in determining whether Congressional intent to supersede the police power of a state should be implied absent an express declaration of this result. Supersession of the police power of a state may be implied when:

1) The Act of Congress touches a field in which the federal interest is so dominant that the federal system will be assumed to preclude enforcement of state laws on the same subject;

2) The scheme of federal regulations is so pervasive as to make reasonable the inference that Congress left no room for the states to supplement it.

3) The object sought to be obtained by the federal law and the state action is the same; and

4) The state policy may produce a result inconsistent with the objective of the federal law.

A consideration of each of these factors will show plainly that it was the intent of Congress to prevent the State of Florida from excluding petitioner from practicing before the Patent Office.

The Federal Interest in the Patent System Is So Paramount That It Should Be Assumed That State Action Pertaining Thereto Is Precluded.

All power as to patents has been delegated to Congress by Art. I, Sec. 8 of the Constitution. It has been held by this Court that this power is plenary.

> *McClurg v. Kingsland*, 1 How. 202, 206, 11 L.Ed. 102, 103 (1843).
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> "* * * the powers of Congress to legislate upon the subject of patents is plenary by the terms of the Constitution, and as there are no restraints on

its exercise, there can be no limitation of their right to modify them at their pleasure, so that they do not take away the rights of property in existing patents."

There is one patent system in this country; the states do not have a reserved power to establish their own patent systems, nor does any state maintain such a system. The federal patent system is uniform throughout the states, and there is no local variation as to the practice involved in obtaining a patent from the Patent Office. Thus, of the four classes of power in this country, it is apparent that this power as to patents belongs exclusively to the national government.

Ex parte McNeil, 13 Wall. 236, 240, 20 L.Ed. 624, 625 (1872).

"* * * In the complex system of polity which prevails in this country the powers of government may be divided into four classes:

Those which belong exclusively to the states.

Those which belong exclusively to the national government.

Those which may be exercised concurrently and independently by both.

Those which may be exercised by the states, but only until Congress shall see fit to act upon the subject. The authority of the state then retires and lies in abeyance until the occasion for its exercise shall recur.

The commercial power lodged by the Constitution in Congress is, in part, of this character. Some of the rules prescribed in the exercise of that power must, from the nature of things, be uniform through-

> out the country. To that extent the power itself must, necessarily, be exclusive; as much so as if it had been so declared to be, by the organic law, in express terms. Others may well vary with the varying circumstances of different localities. In the latter contingency the states may prescribe the rules to be observed until Congress shall supersede them; the Constitution and laws of the United States in such case, as in all others to which they apply, being the supreme law of the land. * * *"

Contrary, then, to respondent's position that state action can only be forbidden if Congress expressly so states, the position is actually reversed. That is, in instances, as here, where the power involved is exclusive with the national government, then the state may act only if expressly permitted to do so by Congress.

> *Spector Motor Service v. O'Connor*, 340 U.S. 602, 608, 71 S. Ct. 508, 511, 95 L.Ed. 573 (1951).
>
> "* * * the Constitutional separation of the federal and state powers makes it essential that no state be permitted to exercise, without authority from Congress, those functions which it has delegated exclusively to Congress. * * *"

Therefore, since Congress has not specifically authorized the states to regulate practice before the Patent Office, then the states do not have any power to determine who is and who is not entitled to represent patent applicants before the Patent Office.

The Commissioner of Patents knows full well how to draft rules that will permit the states to regulate the activities of a trademark practitioner. The Commissioner

of Patents is authorized by Sec. 41 of the Trademark Act of 1946, c. 540, 60 Stat. 427, 15 U.S.C. 1123, to regulate the conduct of proceedings in the Patent Office in connection with trademark application,[40] and has adopted 37 C.F.R. 2.12 (Rules of Practice of the Patent Office in Trademark Cases), wherein attorneys and certain non-attorneys may represent trademark applicants. In this instance, however, 37 C.F.R. 2.12 provides that:

> "(d) Recognition of any person under this section is not to be construed as sanctioning or authorizing the performance of any acts in the jurisdiction when performed as the unauthorized practice of law."

There is no corresponding provision in the Rules of Practice of the United States Patent Office in Patent Cases which would permit state control over patent practitioners.

Since the rules of the Patent Office expressly permit the states to regulate trademark practitioners, but are completely silent as to state control of patent practitioners, then it is obvious that the rules do not contemplate or permit any state regulation of patent practitioners.

Further illustrating the dominance and exclusiveness of the federal interest involved is the fact that the action of the State of Florida was taken solely because Congress

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[40]The power of the Commissioner of Patents to regulate the federal trademark system comes not from the patent clause (Art. 1, § 8, cl. 8) but from the commerce clause (Art. 1, § 8, cl. 3). *United Drug Co. v. Theodore Rectanus Co.*, 248 U.S. 90, 98, 39 S. Ct. 48, 51, 63 L.Ed. 141 (1918). Under the commerce clause there is concurrent power in the states and the national government relating to trademarks, with the power of the national government being restricted to trademarks used in interstate commerce.

had acted in this field. For example, suppose that Congress had never established a patent system pursuant to its power to do so. Then, there would be no Patent Office and no practice of preparing and prosecuting patent applications. Obviously, there would be no reason or need for a state to contend it could regulate such a nonexistent practice. It is only because Congress has specifically established a Patent Office and because Congress has specifically authorized qualified laymen to practice before the Office that a supposed evil has arisen for the State of Florida to correct.

The Scheme of Federal Regulations of Patent Practitioners Is So Comprehensive and Pervasive as to Leave No Room for the States to Modify or Supplement It.

Even if it were assumed, for the sake of argument, that the power to regulate patent practitioners was not exclusive with the federal government, but was a power to be exercised concurrently by the federal government and the states, still it is clear that the federal government has so occupied the field as to preclude state regulation.

Of course, in situations where concurrent federal and state power exists, it is possible for a state to act in areas in which the federal government has not acted.

> *Atchison, T. & S.F. Ry. Co. v. Railroad Commission*, 283 U.S. 380, 392, 51 S. Ct. 553, 556, 75 L. Ed. 1128 (1931).
>
> "• • • The principle thus applicable has been frequently stated. It is that the Congress may circumscribe its regulation and occupy a limited field and that the intention to supersede the exercise by the

> state of its authority as to matters not covered by the federal legislation is not to be implied unless the Act of Congress fairly interpreted is in conflict with the law of the State. * * *"

However, that is not the situation here, because Congress, and the Commissioner of Patents under authorization of Congress, have specifically and comprehensively acted in the precise area in which respondent seeks to act.

As brought out previously, Congress has specifically authorized the Commissioner of Patents to allow both attorneys and non-attorneys to represent patent applicants before the Patent Office, and has specifically authorized the Commissioner of Patents to suspend or exclude both attorneys and non-attorneys from such practice.[41] Pursuant to this authority, the Commissioner has adopted detailed regulations concerning admission to practice, conduct and suspension or exclusion from practice.[42]

The statutes and regulations governing admission to and exclusion from practice are mandatory in nature. Rule 343 provides that no person, not recognized by the Commissioner, "will be permitted to prosecute application of others before the Patent Office."[43] It is an offense, punishable by a fine of not more than $1,000.00 to hold oneself out as qualified to prepare or prosecute applications for patent if not recognized by the Commissioner.[44] Clearly, there is no power in a state, in the first instance, to designate who is to practice before the Patent Office.

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[41] 35 U.S.C. 31, 32.
[42] 37 C.F.R. 1.341-1.348.
[43] 37 C.F.R. 1.343.
[44] 35 U.S.C. 33.

No matter how qualified a state may think a person to be, that person cannot practice before the Patent Office without being admitted to the Patent Office by the Commissioner.

Similarly, the power to exclude patent practitioners from practice before the Patent Office, once so recognized, is vested solely in the Commissioner: "Proceedings for suspension, disbarment, or exclusion from practice *are* before a Commissioner." "Proceedings for suspension or disbarment *shall* be instituted by the Solicitor" of the Patent Office, the Commissioner "*will* set the hearing before him.[45] (Emphasis added). The mandatory nature of these provisions makes it clear that all power in this area is lodged in the Commissioner and that the states have no power to suspend or exclude a recognized patent practitioner from practice before the Patent Office.[46]

Therefore, since the federal government has exercised its power over the admission, conduct and suspension of patent practitioners, then respondent is without power to also act in this particular area.

> *Pennsylvania R. Co. v. Public Service Commission*, 250 U.S. 566, 569, 40 S. Ct. 36, 37, 64 L.Ed. 1142 (1919):
>
> "* * * But when the United States has exercised its exclusive powers over interstate commerce so far as to take possession of the field, the States no more

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[45]37 C.F.R. 1.348.

[46]Respondent, of course, did not follow any of the procedure outlined in 37 C.F.R. 1.348 when it acted to suspend petitioner from practicing before the Patent Office while residing in Florida, but instead acted solely under color of state law on the subject.

can supplement its requirements than they can annul them. * * *"

Supersession of State Police Power Should Be Implied Here Because the Object of the Congressional Legislature Is Precisely the Same as the Aim of the State Action in Question.

This is the third factor mentioned in *Rice v. Santa Fe Elevator Corporation*, 331 U.S. 218, 230, 67 S. Ct. 1146, 1152, 86 L.Ed. 754 (1942), for consideration. If Congress and the states are both seeking to correct the same evil, then the Congressional enactment will supersede state action thereon.

The intent of Congress in the regulation of patent practitioners has been clearly expressed by this Court in *Kingsland v. Dorsey*, 338 U.S. 318, 319, 70 S. Ct. 123, 124, 94 L.Ed. 123 (1950), as follows:

> "* * * It was the Commissioner, not the courts, that Congress made primarily responsible for protecting the evil consequences that might result if practitioners should betray their high trust. * * *"

Obviously, this is the same purpose that the Court below had in mind when it excluded petitioner from practicing before the Patent Office:

> "The reason for prohibiting the practice of law by those who have not been examined and found qualified to practice is * * * done to protect the public from being advised and represented in legal matters by unqualified persons on whom the judicial department can exercise little, if any, control in the matter of infraction of the code of conduct which, in the public interest, lawyers are bound to observe."[47]

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[47] R. 65.

Clearly, there is not only an overlap, but a full coincidence, of federal and state purpose. Since the federal government has enacted full and comprehensive statutes and regulations to achieve this purpose, then the supersession of state power to achieve the same purpose should be implied.

The present situation is plainly different from the recent decision of this Court in *Huron Portland Cement Co. v. City of Detroit, Michigan*, 362 U.S. 440, 80 S. Ct. 813, 4 L.Ed. 2d 852 (1960), wherein federal legislation and a state ordinance, both governing boat equipment, were involved and wherein the state ordinance was upheld because the objects sought to be achieved by federal and state action were different and of non-overlapping scope.

Supersession of State Police Power Should Be Implied Here Because the State Action Is in Direct Conflict With the Objective of the Federal Laws Concerning Patent Practitioners.

By the mere fact that Congress has authorized the Commissioner of Patents to permit patent applicants to be represented in the Patent Office by patent agents, it is, of course, apparent that Congress deems it advisable that non-lawyers be permitted to practice before the Patent Office.[48] The action taken by the State of Florida is in direct conflict with this objective.

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[48]Respondent at pages 13 and 14 of its brief in opposition to the Petition for Writ of Certiorari, suggests that Congress did not have any objective of providing for a class of non-lawyer patent practitioners nor that such a class is at all essential to the functioning of the Patent Office, since 35 U.S.C. 31 is merely permissive in authorizing the Commissioner of Patents to recognize patent agents. This position seems impossible to support in view of the historical representation of patent applicants by patent agents, a

Petitioner has shown the Commissioner of Patents that he is properly qualified to practice before the Patent Office as a patent agent, and he has been authorized by the Commissioner to "advise and assist" applicants for patent "in preparation and prosecution of their applications before the Patent Office."

The Court below specifically enjoined petitioner from "holding himself out, in this state, as qualified to prepare and prosecute applications for letters patent, and amendments, thereto," and from the "preparation and prosecution of applications for letters patent, and amendments, thereto, in this state,"[49] merely because he was not a member of the Florida Bar. The effect of this decision is that Florida simply does not deem it advisable that non-lawyers be permitted to practice before the Patent Office, regardless of their qualifications to do so.[50]

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fact well known to Congress for many, many years, and the fact that over 45% of the patent practitioners currently recognized by the Commissioner are not members of the bar of the states in which they practice. Also, it is plain that this number of patent agents is necessary for continued orderly administration of the patent system. There are currently over 190,000 patent applications pending in the Patent Office. If nearly half of the patent practitioners were suddenly eliminated, the confusion and chaos in the Patent Office would be incalculable. By analogy, respondent would have to take the position that the functioning of the Florida courts would be unaffected if half of the Florida lawyers were suddenly barred from practice. This surely would not be so in Florida; it likewise is not so in the Patent Office.

[49]R. 68.

[50]This is emphasized by the fact that the Court below was not concerned with whether petitioner was a capable patent practitioner or not, as noted by the following remarks (R. 66):

> "In fairness to the respondent in this cause, we make clear that nothing we say in this opinion is intended to indicate that he is not in fact competent to perform those services which he has rendered or that the affairs of any citizen of this state have suffered at his hands."

The Court below attempts to soften the effect of its decision by saying that petitioner can practice before the Patent Office if he moves to another state. Yet, if Florida has the power to eliminate patent agents, then any other state to which petitioner might move would have the same power and could again prevent him from practicing before the Patent Office. If all states followed the lead of respondent, they would totally eliminate the congressionally authorized class of patent agents by denying them a place to practice. The objective of Congress in providing for the representation of patent applicants by qualified patent agents would be completely frustrated.

It follows then that the action of the State of Florida is manifestly improper.

> *Hill v. State of Florida*, 325 U.S. 538, 542, 65 S.Ct. 1373, 1375, 89 L.Ed. 1782 (1945).
>
> "Thus, the 'full freedom' of employees in collective bargaining which Congress envisioned as essential to protect the free flow of commerce among the states would be, by the Florida statute, shrunk to a greatly limited freedom. No elaboration seems required to demonstrate that Section 4 as applied here 'stands as an obstacle to the accomplishment and execution of the full purposes and objectives of Congress.' Hines v. Davidowitz, 312 U.S. 52, 67, 61 S.Ct. 399, 404, 85 L.Ed. 581; Cloverleaf Butter Co. v. Patterson, 315 U.S. 148, 62 S.Ct. 491, 86 L.Ed. 754; Napier v. Atlantic Coast Line R. Co., 272 U.S. 605, 47 S.Ct. 207, 71 L.Ed. 432. • • •"

The rationale of this Court in *Leslie Miller, Inc. v. State of Arkansas*, 352 U.S. 187, 77 S.Ct. 257, 1 L.Ed.2d 231 (1956), should be followed in the present case to re-

verse the decision of the Court below. In the *Miller* case, a contractor was awarded a bid to construct an air force base in Arkansas for the federal government after satisfying the federal government that he was a responsible contractor. The State of Arkansas then prosecuted and convicted the contractor for not having obtained a license for such activity from the state. This Court reversed the conviction, saying at 352 U.S. 189:

> "Mere enumeration of the similar grounds for licensing under the state statute and for finding 'responsibility' under the federal statute and regulations is sufficient to indicate conflict between this license requirement which Arkansas places on a federal contractor and the action which Congress and the Department of Defense have taken to insure the reliability of persons and companies contracting with the Federal Government. Subjecting a federal contractor to the Arkansas contractor license requirements would give the State's licensing board a virtual power of review over the federal determination of 'responsibility' and would thus frustrate the expressed federal policy of selecting the lowest responsible bidder.* * *"

The situation here is parallel. The Commissioner of Patents has decided that petitioner is qualified to represent patent applicants before the Patent Office, but the State of Florida insists that petitioner must join the Florida Bar before he can practice, not in any matter of state law, but before the United States Patent Office. This Court reversed the conviction by Arkansas of the federal contractor in the *Hill* case. It should, likewise, reverse the suspension by Florida of petitioner, a federal patent practitioner.

On the basis of the above considerations it is clear that: Congress has exclusive power over patent matters; Congress has specifically provided for patent agents; it is the intent of Congress to vest the Commissioner of Patents with the duty of protecting the public from improper representation before the Patent Office; and the Commissioner has adopted comprehensive regulations concerning the admission, conduct and discipline of patent practitioners to carry out this objective. In view of this, it is manifest that Congress intended to exclude the states from regulating patent practitioners.

As a consequence, the Court below clearly exceeded its power.

CONCLUSION

For the foregoing reasons, the decision of the Court below should be reversed to permit petitioner to continue in Florida "to represent applicants before the Patent Office in the preparation and prosecution of applications," a right granted to him under 37 C.F.R. 1.341 by the Commissioner of Patents acting under the authorization of Congress.

Dated, San Francisco, California,
December 17, 1962.

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(Appendix A Follows)

Appendix A

Constitution of the United States

Art. I, Sec. 8, cl. 8. The Congress shall have power . . . To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.

Art. I, Sec. 8, cl. 18. The Congress shall have Power . . . To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

Art. VI, cl. 2. This Constitution, and the Laws of the United States which shall be made in Pursuance thereof and all treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, anything in the Constitution or Laws of any State to the contrary notwithstanding.

Patent Act of 1952, c. 950, 66 Stat. 792, §§ 31-33, 35 U.S.C. §§ 31-33.

§ 31. The Commissioner, subject to the approval of the Secretary of Commerce, may prescribe regulations governing the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Patent Office, and may require them, before being recognized as representatives of applicants or other persons, to show that they are of good moral character

699, and adopted certain principles, including the following:

> "(a) The Florida Bar, a body created by and existing under the authority of this Court, is charged with the maintenance of the highest standards and obligations of the profession of law, and to that end is vested by this Court, in the exercise of its inherent powers over The Florida Bar as an official arm of this Court, with the necessary powers and authority."

Article II of the Integration Rule provides as follows:

> "2. No person shall engage in any way in the practice of law in this state unless such person is an active member of The Florida Bar in good standing except that a practicing attorney of another state, in good standing, who has professional business in a court of record of this state may, upon motion, be permitted to practice for the purpose of such business only, when it is made to appear that he has associated and appearing with him in such business an active member of The Florida Bar."

Article V, Section 23 of the Constitution of the State of Florida provides as follows:

> "The Supreme Court shall have exclusive jurisdiction over the admission to the practice of law and the discipline of persons admitted."

The Florida Bar has also been charged by the Integration Rule, Article XI, 31 F.S.A. page 706, with the task of disciplining lawyers. The records of the Florida Bar show that since its organization it has recommended the disciplining of a total of 119 lawyers, resulting in 34 disbarments, 40 suspensions, 34 public

reprimands and 11 attorneys placed on probation. These figures do not include 304 complaints processed by grievance committees during the calendar year 1962.

The By Laws of the Integration Rule approved by the Supreme Court also included By Law Article 4, 8 H (31 F.S.A. 720), which established the Committee on Unauthorized Practice of Law, whose duties were stated as follows:

> "h. *Committee on Unauthorized Practice of Law.*
>
> It shall be the duty of this committee to keep under continuing study the subject of unauthorized practice of law, to analyze the measures that exist in Florida, as compared with other states, for preventing such unauthorized practice, and to make investigations of unauthorized practice; and, with the approval of the Board of Governors, this committee may take steps to prevent or to stop the unauthorized practice of law, including the initiation of legal proceedings."

In this way, both The Florida Bar and its Committee on Unauthorized Practice of Law were made official instrumentalities of the system of administration of justice in Florida.

POINT TWO

WHAT ACTS CONSTITUTE THE PRACTICE OF LAW IN FLORIDA HAS BEEN DECIDED BY THE FLORIDA SUPREME COURT AS A MATTER OF STATE LAW, AND SHOULD BE ACCEPTED AS SUCH BY THIS COURT

This Court will recognize the decisions of the highest court of a State on matters of State law. *Greenough v. Tax Assessors* (1947), 331 U.S. 486, 91 L.Ed. 1621, 67 S.Ct. 1400. What acts constitute the practice of law in Florida is a matter of State law which has been decided in the decision below, and should be accepted as such by this Court. In addition, the Brief of the United States points out in a footnote on page 9, and in somewhat different language, that the petition for certiorari does not challenge the decision below as to what acts constitute the practice of law under the law of Florida.

In order, however, that this Court may fully understand the essentially legal character of the acts performed by the Petitioner, they are described in detail in Appendix B to the brief of the American Bar Association as *amicus curiae*, to which we respectfully refer the Court.

POINT THREE

THE STATES, IN THE EXERCISE OF THE POLICE POWER, HAVE THE RIGHT TO CONTROL AND REGULATE THE PRACTICE OF LAW.

A. In General

It appears to be settled doctrine that "the right to control and regulate the granting of license to practice law in the courts of a state is one of those powers that was not transferred to the Federal government". *Bradwell* v. *Illinois* (1873), 16 Wall. 130, 139, 21 L.Ed. 442.

To the same effect:

Theard v. *United States* (1957), 354 U.S. 278, 281, 1 L.Ed. 2d 1342, 77 S.Ct. 1274.

Schware v. *Board of Bar Examiners* (1957), 353 U.S. 232, 1 L.Ed. 2d 796, 77 S.Ct. 752.

Martin v. *Walton* (1961), 368 U.S. 25, 7 L.Ed. 2d 5, 82 S.Ct. 1.

Re Isserman (1953), 345 U.S. 286, 97 L.Ed. 1013, 73 S.Ct. 676.

Re Summers (1945), 325 U.S. 561, 89 L.Ed. 1795, 65 S.Ct. 1307.

Randall v. *Brigham* (1869), 7 Wall. 523, 19 L.Ed. 285.

In re Lockwood (1894), 154 U.S. 116, 38 L.Ed. 929, 14 S.Ct. 1082.

Cummings v. *Missouri* (1867), 4 Wall. 277, 18 L.Ed. 356.

Saier v. *State Bar of Michigan* (CA 6, 1961), 293 F.2d. 756, *cert. denied*, 368 U.S. 947, 7 L.Ed. 2d 343, 82 S.Ct. 388.

Starr v. *State Board of Law Examiners* (CA 7, 1947), 159 F.2d 305.

Mitchell v. *Greenough* (CA 9, 1958) 100 F.2d 184, *cert. denied*, 306 U.S. 659, 83 L.Ed. 1056, 59 S.Ct. 788.

Emmons v. *Smitt* (CA 6, 1945), 149 F.2d 869, *cert. denied*, 326 U.S. 746, 90 L.Ed. 446, 66 S.Ct. 59.

And see Point Four, B, *post* p. 46.

B. The Fact That the Practice of Law Involves Federal Subject Matter Does Not Diminish the Power of the State to Regulate It

The cases appear to universally hold that the power of the State to regulate the practice of law within the State is not diminished by the fact that the subject matter of such practice may be federal in character.

Here perhaps the leading case is *Ginsburg* v. *Kovrak* (1958), 392 Pa. 143, 139 A.2d 889. Kovrak was admitted to practice before the United States Supreme Court, the Court of Appeals of the District of Columbia, and the Eastern District of Pennsylvania. He was not a member of the Pennsylvania Bar, but he set up an office in Philadelphia and advertised himself as "Attorney at Law. Practice in Federal Taxation." The Committee on the Unauthorized Practice of Law of the Philadelphia Bar Association then sued to enjoin Kovrak from unlawfully practicing law in the State. The Defendant's position was that "he has a legal right to practice law anywhere in the Eastern District of Pennsylvania with regard to any legal matter in which a Federal question was involved, no matter how remote." 139 A. 2d 890. In enjoining the Defendant from practicing law in Pennsylvania, the Court among other things, said:

> "When a stranger comes to our community he must meet the standards set out by our people, just

as our citizens must expect to meet the local standards if they go elsewhere to live and work. *No case has been suggested to us which holds that membership in the Bar of the United States Supreme Court entitles an attorney to practice anywhere in the United States without reference to local State requirements.* If we are not obliged to accept the man from Oregon merely because he may practice before the Supreme Court, neither should we have to accept the stranger from Pike County as a practicing lawyer merely because it is also within the Eastern District of Pennsylvania.

"We do not presume to tell the Federal Courts whom they should or should not appoint as referees, special masters, amici curiae, and the like, for the prosecution of their work as they see it. That is a different matter from deciding what qualifications are needed by Pennsylvania citizens facing and affecting each other before the Bar in any court of law, State or Federal. In such matters we are State citizens before we are federal citizens, which is another way of saying that the States have not ceded to the Federal Government the right to qualify their lawyers." (Emphasis added.) Page 892.

* * * * * * * * * *

"Merely because the Federal courtrooms are open does not mean that the Federal Courts have approved anyone as a qualified lawyer. The *most it means is that a man may practice there if he is qualified by local law.*" (Emphasis added.) Page 893.

* * * * * * * * * *

"It is readily apparent that *the injunction is intended to, and does, prohibit only the maintenance of an office and the practice of law* in Philadelphia County (and, of course, anywhere else in

the Commonwealth of Pennsylvania). *It in no way affects the appellant's right to engage in the practice of law in Washington, D. C.*, or to try cases in the United States District Court for the Eastern District of Pennsylvania or in any other federal court or jurisdiction where he may be entitled to practice." (Emphasis added.) Page 893.

C. Admission to Practice Before a Federal Tribunal Does Not Entitle One to Practice Law in a Particular State

1. Admission to practice before a Federal Court does not entitle one to practice in a particular state

Here again perhaps the leading case is *Ginsburg* v. *Kovrak* (1958), 392 Pa. 143, 139 A. 2d 889, *supra*. Kovrak was a member of the Bar of this Court and of Courts in the District of Columbia, and of the United States District Court for the Eastern District of Pennsylvania. The Supreme Court of Pennsylvania held that he could not practice law in the State of Pennsylvania inasmuch as he was not a member of the Pennsylvania Bar. The quotations given above, are also specially pertinent on this point.

And in *Petition of Kearney*, 63 S. 2d 630 (Florida 1953), extensively relied upon by the Court below, Kearney was duly admitted to practice before this Court, the Tax Court of the United States, and the Treasury Department. He was not a member of The Florida Bar, but he sought permission to practice in Florida as "Federal Tax Counsel," with Court appearances to be limited to the Federal Courts and departments described. The Florida Supreme Court held that such practice would constitute the practice of law in Florida and that in order to engage in such practice Kearney would have to become a member of The Flor-

ida Bar "subject to the jurisdiction of this Court" (R. 56). In its opinion the Florida Supreme Court stressed Section 2, Integration Rule, which provides that no person shall engage in any way in the practice of law in the State unless he is an active member of The Florida Bar.

Similarly, lay agencies have been enjoined from practicing law where the acts included bankruptcy legal work. *Richmond Association of Credit Men* v. *Bar Association* (1937), 167 Va. 327, 189 S.E. 153; *Depew* v. *Wichita Ass'n of Credit Men* (1935), 142 Kan. 403, 49 P.2d 1041 *cert. denied*, 297 U.S. 710, 80 L.Ed. 997, 56 S.Ct. 574. A lay agency has also been enjoined from practicing law where the acts include collection of the purchase price of interstate sales which, it was claimed, would interfere with interstate commerce. *State Ex. Inf. McKittrick* v. *C. S. Dudley & Co.* (1937), 340 Mo. 852, 102 S.W. 2d 895.

The cases above set forth are discussed and quoted from at great length in the Brief of the American Bar Association as *amicus curiae*, pages 38, 39.

2. Admission to practice bfeore a Federal Administrative Agency does not entitle one to practice law in a particular state

There are cases, *De Pass* v. *B. Harris Wool Co.*, (1940), 346 Mo. 1038, 144 S.W. 2d 146, *Auerbacker* v. *Wood* (1947), 139 N.J.E. 599, 53 A. 2d 800; *In re Lyon* (1938), 301 Mass. 30, 16 N.E. 2d 74; and *Noble* v. *Hunt* (1957), 95 Ga. 804, 99 S.E. 2d 345, which indicate that a state will not interfere with the *appearance* of a layman before a Federal administrative agency, where such appearance has been authorized by the agency.

Other state cases, however, hold that admission to practice before a federal administrative agency does not authorize a person to practice law in a state, as distinguished from making appearances before the agency.

There are two landmark cases so holding. In *Chicago Bar Association* v. *Kellogg*, 338 Ill. App. 618, 88 N.E. 2d 519 (1949), the Appellate Court of Illinois held that admission to practice before the Patent Office in 1918 did not authorize the practice of law relating to patents in Illinois by a "patent attorney" not a member of the Illinois bar. We quote from the opinion at length (88 N.E. 2d 519, 521-528) because it is so directly pertinent to our case:

> "The complaint charges substantially that the defendant maintains an office in the City of Chicago; that he is not licensed to practice law in the State of Illinois, but notwithstanding has for a long time engaged in, and continues to engage in, the practice of law and *holds himself out as an attorney* and induces, or attempts to induce, the public to believe that he is an attorney at law. The complaint itemizes a number of specific acts which it charges constitutes the practice of law, and prays that the defendant be restrained from a continuation of these specified practices.
>
> "The answer admits that defendant is a resident of Cook County and states that on December 16, 1918, while defendant resided in the City of Washington, the Commissioner of Patents of the Patent Office of the United States caused the name of the defendant to be duly registered on the Roster of Attorneys entitled to practice before it, and by virtue of such license he became entitled to perform certain services before the Patent Office and elsewhere.

"Defendant's contention is based on his interpretation of the rules of the United States Patent Office in force in the year 1918 at the time of his registration in the United States Patent Office, the pertinent rule 17 then being as follows:

"'*A register of attorneys will be kept in this office, on which will be entered the names of all persons entitled to represent applicants before the Patent Office in the presentation and prosecution of applications for patent.* * * *

"'(b) Any person not an attorney at law who is a citizen or resident of the United States who has had three years' experience in patent work under the personal direction and supervision of a duly registered patent attorney * * * and who shall file proof to the satisfaction of the Commissioner that he is of good moral character and of good repute and possessed of the necessary legal and technical qualifications to enable him to render applicants for patents valuable service and is otherwise competent to advise and assist them in the presentation and prosecution of their applications before the Patent Office.'

* * * * * * * * * *

"The decree found substantially as follows: that the defendant is not licensed to practice law in the State of Illinois or elsewhere, but on December 16, 1918 was registered to practice before the United States Patent Office; that about January, 1930, defendant moved to Chicago and opened offices at 35 East Wacker Drive, has maintained offices there continuously, and has practiced during all of such time as a patent attorney upon a paid basis; that from 1931 to 1941 he had as office associates men who had been admitted to the bar of the State of Illinois; that the stationery used in the early part of his practice described himself as an attorney without qualifications as to his limitations, and had associated with him as 'of counsel' men who were admitted to the bar of the State of

Illinois; that his stationery was changed in 1941 to read, 'Patent Attorney' and 'Patent and Trade Mark Attorney'; that in several instances the defendant employed attorneys whom he paid for legal services from fees which he collected from his clients and that he employed attorneys for work to be done for clients whom such attorneys had never met and without the relationship of attorney and client ever having been established; that defendant in his correspondence had repeatedly held himself out as 'attorney at law' and that he has also participated as an attorney at law in legal proceedings; that the defendant repeatedly construed patent licenses and gave opinions with respect to the infringement of patents and on at least one occasion wrote a letter charging a company with violation of, and infringement upon, certain patents of a client of defendant, threatening it with litigation; that defendant has been paid for legal services involved in the preparation of infringement opinions and has made a charge in relation to an infringement suit, including the study of patent claim, extension of time in which to file defendant's answer, study of license agreement and preparation of an answer in the infringement suit.

* * * * * * * * * *

"The decree enjoins the defendant, his agents and employees from:

"'(1) Rendering legal opinions relating to infringement and enforcement of patents and trade marks;

"'(2) Preparing, drafting and filing pleadings and other legal documents and papers in suits at law and in equity in courts of record and before administrative tribunals, *other than the United States Patent Office;*

"'(3) Participating as an attorney in legal proceedings *other than United States Patent Office;*

"'(4) In behalf of persons represented by him, threatening to bring suit against other parties;

"'(5) Preparing and serving notice of and asserting attorney's lien under Section 14 of Chapter 13, Illinois Revised Statutes; and

"'(6) Charging and collecting fees for legal services rendered by him or rendered by him and by others in legal proceedings, *other than wherein the United States Patent Office has jurisdiction.*'

* * * * * * * * *

"We have come to the conclusion that the evidence before us clearly indicates that for a long period of time defendant was engaged in the unauthorized practice of law within the meaning of the Illinois authorities; and we are of the opinion that the courts of the State of Illinois have the power to determine what contravenes its policy in this respect independent of any other authority. Article I, Section 8, of the constitution of the United States, under which provision defendant claims his rights were violated, provides, 'The Congress shall have Power * * * To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries * * *.' *Defendant further maintains that the power to regulate patents was by an Act of Congress conferred upon the Department of the Interior at the time the license was issued to him, and that under its authorization the Patent Office was empowered to permit certain practitioners, including the defendant, to practice before it.*

"The fallacy of defendant's argument lies in the implication that the Patent Office had the right to permit the exercise of prerogatives which are forbidden under the laws of the State of Illinois as constituting unauthorized practice. No such authorization was issued by the United States Patent Office to defendant, nor was any power inherent

in the Patent Office to permit defendant to practice law.

"*Defendant argues that* the United States Patent Office makes no distinction as to the rights or duties of attorneys at law and patent attorneys who were not attorneys at law, but who were admitted prior to the change in the rules; and that *patent attorneys who were not attorneys at law* and were admitted prior to the change *have the same rights, privileges, and duties as the patent attorneys at law* who solely are admitted under the new rule. *With this proposition we thoroughly disagree. The Patent Office did not undertake to invest non-attorneys with the same rights, privileges, and duties as those had by attorneys at law incontravention of the well defined rulings of the courts of Illinois.* The police power and the procedure thereunder covering the enrollment and disbarment of lawyers and the punishment of unauthorized practitioners subject to its jurisdiction is a matter reserved for determination by the Judicial Department of the State of Illinois. As was said in Pennoyer v. Neff, 95 U.S. 714, at page 722, 24 L. Ed. 565:

"'* * * every State has the power to determine for itself the civil status and capacities of its inhabitants; to prescribe the subjects upon which they may contract, the forms and solemnities with which their contracts shall be executed, the rights and obligations arising from them, and the mode in which their validity shall be determined and their obligations enforced; and also to regulate the manner and conditions upon which property situated within such territory, both personal and real, may be acquired, enjoyed, and transferred. * * *'

* * * * * * * * *

"The Patent Office, however, did not attempt to enlarge upon its authority as it never attempted to authorize defendant to practice law. *Rule 17 in*

effect prior to 1938 merely provided that, in the very limited field defined, qualified non-attorneys might represent applicants 'in the presentation and prosecution of applications for patents.' This is a far different proposition from the one for which counsel contends, namely, that non-attorneys at law have the same rights, privileges, and duties as patent attorneys at law. The injunctional order does not take away any constitutional rights of defendant because the defendant never had any right, either directly or indirectly, to practice law.

• • • • • • • • • •

"Another consideration which weighs heavily with this court is the fact that up until the date of the filing of the bill in this case defendant used letterheads which would lead any layman who viewed them to conclude that defendant was a patent attorney vested with all the capabilities and privileges of an attorney at law. In a case of this kind, the general welfare of the public is of primary concern. The public are entitled to protection against unauthorized practitioners of the law, and the courts should lend a ready hand to suppress the evil by way of injunctional relief wherever it appears. The fact that the unauthorized practice may have been without malevolence, under a misapprehension as to rights, renders the menace none the less formidable nor the remedy by injunction none the less appropriate."

• • • • • • • • • •

"From what we have heretofore said, it is obvious defendant has no right to charge or collect fees for legal services. *In restricting defendant's disability to charge and collect fees for legal services rendered in proceedings other than where the Patent Office has jurisdiction, the chancellor was in error,* and the cross-error of plaintiffs on this score is well assigned. *Defendant has no right to collect fees for legal services wherever rendered.*

"Plaintiff assigns cross-error on finding 18 of the chancellor, which finding is as follows:

"'18. The Court further finds that the defendant has been preparing, drafting and construing assignments, leases and other documents relating to letters patent. The rules of the United States Patent Office provide forms for the preparing of certain papers, including the assignment of patents, licenses for royalty and many other forms. Whether such forms may be used and are intended for use of Patent Attorneys, whether they are licensed to practice in a state or have a license similar to the license issued to the defendant, should properly be determined by the United States Patent Office. *In the preparation, drafting and construing of assignments, leases and licenses, the defendant has not been practicing law in violation of the law of the State of Illinois.*'

"*This finding of the decree, to which cross-error is assigned, is erroneous. The courts of the State of Illinois, and not the United States Patent Office, may determine what constitutes the illegal practice of law in this State.* The fact that the defendant used forms instead of original documents is not controlling upon the question of whether or not he was engaged in the practice of law. We have heretofore said that the preparing, drafting, and construing of assignments, leases, and other such documents relating to letters patent, constitute the practice of law; and insofar as the decree authorizes the preparation, drafting, and filing of pleadings anywhere, it is erroneous.

"Defendant in his answer has asserted that he has the right to perform certain specified services. In his reply brief he asserts that the only issue before this court is to determine whether or not he has the legal right to perform these acts. *The issue before us is not what things defendant may do under the authority he claims from his license to appear before the United States Patent Office,*

but what things, if any, he has done in violation of the laws of the State of Illinois and what, from his past conduct, he may reasonably be expected to do in the future. . . .

* * * * * * * * *

"Accordingly, the decree of the Superior Court is reversed and the cause is remanded with directions *to enter a decree which shall be without prejudice to defendant's rights to advise and assist applicants for patents in the presentation and prosecution of their applications for patents before the United States Patent Office, but which shall enjoin the defendant from the following activities:*

"1. *Giving legal advice;*

"2. *Preparing, drafting and construing legal documents,* contracts, including patent licenses and deeds, assignments and other evidences of transfer of title to or interests in patent and other property;

"3. *Rendering legal opinions,* including legal opinions relating to title to, and validity, infringement and enforcement of, patents and trade marks and rights therein and thereto;

"4. *Preparing, drafting and filing pleadings and other legal documents* and papers *in suits at law and in equity,* in courts of record and before administrative tribunals, *other than the Patent Office;*

"5. *Participating, as an attorney, in legal proceedings;*

"6. In behalf of persons represented by him, threatening to bring suit against other parties;

"7. Preparing and serving notice of and asserting attorney's lien under Section 14 of Chapter 13, Illinois Revised Statutes;

"8. Charging and collecting fees for legal services rendered by him and rendered by him and others." (Emphasis added.)

Tax Law: Agran v. Shapiro. The argument that practice before the Treasury Department pursuant to the Act of July 7, 1884, 23 Stat. 258, 5 U.S.C. § 261 (which is virtually identical to Rev. Stat. § 487), included an authorization to practice law relating to federal taxation in California was decisively rejected in *Agran* v. *Shapiro* (1954), 127 Cal. App. 2d 807, 273 P. 2d 619. In that case, the Court denied recovery of a fee for legal services incident to federal taxation rendered in California by an accountant admitted to practice before the Treasury Department, but not admitted to practice law in California, on the ground that the accountant was engaged in the unauthorized practice of law. Again, we quote from the opinion at length (273 P. 2d 619, 627-630) because of its special pertinence to our case.

> "From what has been said, we would have but little hesitancy in concluding that the services rendered by plaintiff other than those involved in the preparation of the income tax returns and possibly others of an accounting character constitute the practice of law as that term has been judicially defined in this State. Kountz v. Rowlands, 1943, 46 Pa. Dist. & Co. 461, 463. The more serious questions which present themselves, however, are (1) whether the controlling test of what constitutes the practice of law in the field of federal income taxation is dictated by federal legislation, congressional or administrative, and (2) the effect of the federal regulations which have been adopted in this field. Upon behalf of the plaintiff, it is urged by *amicus curiae* that an affirmative answer is required to the first inquiry and that, inasmuch as plaintiff was enrolled as an agent in the Treasury Department, and by virtue thereof licensed to practice before that Department, all of his activities in the instant case were within the scope of such license, and any action by a state court which would interfere with or curtail the right so granted is not only unwarranted but unconstitutional.

"By the Act of July 7, 1884, sec. 3, 23 Stat. 258, 5 U.S.C.A. § 261, the Secretary of the Treasury is authorized to prescribe 'regulations governing the recognition of agents * * * representing claimants before his departments * * *.' Pursuant to this statutory authority, the Secretary issued Circular 230 (now parts 10 and 13, Subtitle A, Tit. 31, Code Fed. Reg.), which insofar as material here reads as follows: 'An agent enrolled before the Treasury Department shall have the same rights, powers and privileges and be subject to the same duties as an enrolled attorney: *Provided*, that an enrolled agent shall not have the privilege of drafting or preparing any written instrument by which title to real or personal property may be conveyed or transferred for the purpose of affecting Federal taxes, nor shall such enrolled agent advise a client as to the legal sufficiency of such an instrument or its legal effect upon the Federal taxes of such client: *And provided further, That nothing in the regulations in this part shall be construed as authorizing persons not members of the bar to practice law.*' Code Fed. Reg., sec. 10.2(f), Tit. 31, Subtit. A, Part 10.

"'Practice before the Treasury Department shall be deemend to comprehend all matters connected with the presentation of a client's interests to the Treasury Department, including the preparation and filing of necessary written documents, and correspondence with the Treasury Department relative to such interests. Unless otherwise stated, the term "Treasury Department," as used in this paragraph and elsewhere in this part, includes any division, branch, bureau, office, or unit of the Treasury Department, whether in Washington or in the field, and any officer or employee of such division, branch, bureau, office or unit.' Id., sec. 10.2(b).

"In this connection also, reference should be made to Rule 2 of the former United States Board of Tax Appeals, 26 U.S.C.A. Int. Rev. Code, fol-

lowing sec. 5011, now Tax Court of the United States,[5] for the admission to practice, after examination, of citizens without restriction to members of the bar or certified public accountants, and the validity of such rule has been recognized. Goldsmith v. U. S. Board of Tax Appeals, 1926, 270 U. S. 117, 46 S. Ct. 215, 70 L. Ed. 494, 496; Crane-Johnson Co. v. Commissioner of Internal Revenue, 8 Cir., 1939, 105 F. 2d 740, 744. . . .

* * * * * * * * *

"No case which we have been able to discover has undertaken to directly decide the precise question with which we are confronted, namely, whether the Treasury Regulations referred to have the effect of declaring that service performed by an enrolled agent in connection with federal income tax matters do not constitute the practice of law in the sense that such practice is prohibited, by state law, when engaged in by other than members of the bar. . . .

* * * * * * * * *

"More closely in point and supporting plaintiff's position is De Pass v. B. Harris Wool Co., 1940, 346 Mo. 1038, 144 S.W. 2d 146, wherein plaintiff, a non-lawyer licensed to practice before the Interstate Commerce Commission, sought to recover for services rendered *before that body in certain rate reduction cases* on behalf of the defendant. Defendant demurred upon the ground that the alleged contract called for services which, under the law of Missouri, constituted the practice of law, and hence plaintiff was barred from recovery. The Supreme Court of Missouri, though apparently of the view that, judged by Missouri law, the services in question constituted the practice of law, held that the question was foreclosed by the Rules of Practice of the Interstate Commerce Commission, 49 U.S.C.A. Appendix following sec. 1185, which permitted laymen licensed by it to practice

[5] 26 U.S.C.A. § 1111.

before it. Says the court, 144 S.W. 2d at page 148: 'Defendant seems to argue that the right to define the practice of law and to regulate persons engaging in such practice falls within the police power of the state. So it does, except in so far as that right does not run contra to an Act "made in pursuance" to the Federal constitution.'

"It does not appear, however, that the rule of the Interstate Commission there involved contained any limitation with respect to the practice of law as does the Treasury Regulation under consideration.

"In re Lyon, 1938, 301 Mass. 30, 16 N. E. 2d 74, cited on behalf of plaintiff, and relied upon in De Pass v. B. Harris Wool Co., just considered by us, is, we believe, factually distinguishable. Moreover, it must be viewed in the light of the discussion in the more recent decision of the same court —Lowell Bar Ass'n v. Loeb, 1943, 315 Mass. 176, 52 N.E. 2d 27, wherein the court adverted to but did not undertake to determine the effect of the Treasury Regulations previously referred to. The court there said, 52 N.E. 2d at page 33: '*Neither do we consider at this time whether the permission granted to certified public accountants and other persons not members of the bar to practise in tax matters by the rules of the United States Treasury Department and of* the administrative tribunal (Helvering v. Rankin, 295 U. S. 123, 131, 55 S. Ct. 732, 79 L. Ed 1343; Higgins v. Commissioner of Internal Revenue, 312 U.S. 212, 61 S. Ct. 475, 85 L. Ed. 783) now called *the Tax Court* of the United States, *can have the effect of granting by implication to holders of "Treasury enrollment cards" a right to perform in this Commonwealth services in connection with Federal taxes which in their nature are comprised in the practice of law.* It may deserve consideration whether the rules of a Federal administrative tribunal can legalize acts done in the States in matters not actually before the tribunal, though of a class that might eventually

come before it. Matter of Lyon, 301 Mass. 30, 34-36, 16 N.E. 2d 74; De Pass v. B. Harris Wool Co., 346 Mo. 1038, 144 S.W. 2d 146."

"Were we convinced that the effect of the Treasury Regulations is to declare that acts constituting the practice of law in the accepted sense could lawfully be performed by non-members of the bar, we would entertain the same doubts as those suggested by the Supreme Judicial Court of Massachusetts in the portion of the opinion quoted above. Cf. Chicago Bar Ass'n v. United Taxpayers of America, 1941, 312 Ill. App. 243, 38 N.E. 2d 349, holding the rule of Department of Finance permitting non-lawyers to appear before it in behalf of taxpayers void insofar as it purported to authorize such to perform acts constituting practice of law. *We do not, however, believe that the regulations in question were intended to or have the effect contended for on behalf of plaintiff. We regard as highly significant the concluding clause in section 10.2(f) 'that nothing in the regulations in this part shall be construed as authorizing persons not members of the Bar to practice law.'* This statement must be read in context with the opening sentence of the section providing that 'An agent enrolled before the Treasury Department shall have the same rights, powers and privileges * * * as an enrolled attorney' and as qualifying the same. As admittedly the Treasury Department is without authority to prescribe the rights and privileges to be exercised by persons except those appearing before it upon behalf of others, this provision could only have been intended as a disavowal of any intent upon the part of the Secretary of the Treasury to confer authority upon enrolled agents, not members of the bar, to perform acts upon behalf of others in connection with matters before the department which would otherwise constitute the practice of law. We cannot subscribe to the argument advanced upon behalf of the plaintiff that this provision was

merely 'a catch-all clause designed to prevent enrolled agents from holding themselves out as general attorneys' and 'to limit the authority granted an enrolled agent to the precise field of Federal income taxation.' Rather it suggests a recognition that 'practice before the Treasury Department,' while it may include acts which do not constitute the practice of law, and hence within the authority of enrolled agents, though not lawyers, to perform, also comprehends others of such character as to bring them within this classification. See Petition of Kearney, Fla. 1953, 63 So. 2d 630.

"In essence plaintiff's contention is that the effect of the Treasury Regulations is to declare that an enrolled agent, though not a lawyer, may, in the representation of others in tax matters before the Treasury Department, lawfully perform all of the services which a member of the bar is authorized to perform except 'the privilege of drafting or preparing any written instrument by which title to real or personal property may be conveyed or transferred for the purpose of affecting Federal taxes' or advising 'a client as to the legal sufficiency of such an instrument or its legal effect upon the Federal taxes of such client.' If this be true, we see no reason for the concluding proviso in 10.2(f), disavowing any intent to thereby authorize non-lawyers to perform acts in connection with tax matters before the Department which would constitute the practice of law." (Emphasis added.)

In the second *Agran* case, dated September 20, 1956 (Unauthorized Practice News Volume XXII, December, 1956, No. 4, page 34) the California Court, among other things, made the following significant statement:

"Reduced to its simplest form, plaintiff's argument in effect is this: by virtue of the Treasury Regulation (31 C. F. R. § 10.2) an enrolled agent

(though) through a non-lawyer is at liberty to perform any and all services and give advice upon legal questions which constitute the practice of law within the meaning of that term as generally understood so long as the work is performed or the advice is given in connection with a matter involving or arising under the federal Internal Revenue Code and pending before the Treasury Department. This is pointed up by plaintiff's suggestion that the decision in the *Bereu* case (78 N.Y.S. 2d 209) would have been different if the respondent there had been enrolled (which he was not) as an agent by the Treasury Department, but if that court was correct, as we believe it was, in concluding that the services rendered by Mr. Bereu constituted the practice of law, the necessary effect of plaintiff's argument is that a state may not regulate the practice of law within its borders by prohibiting laymen from practicing law at least insofar as relates to matters and questions arising under Internal Revenue Code so that what constitutes the practice of law no longer depends upon what is done but by whom. If this be true, the same act which would constitute the practice of law under the law of this State if performed here and which if performed by a non-lawyer not enrolled as an agent by the Treasury Department would subject him to criminal prosecution, would not constitute the practice of law if performed by a non-lawyer so enrolled. *To accept the plaintiff's argument would simply mean that the individual States are in effect deprived of their traditional and long recognized right to regulate the practice of law within their borders at least insofar as such practice involves matters of so-called 'tax-law.'* If this is to be the rule we feel it should be announced by some higher authority.

"Nothing said herein or in our previous opinion implies a holding, as plaintiff seems to think, that the Treasury Department may not prescribe the qualifications of those whom it will recognize as

> agents or attorneys of others having business with the Department but rather that by such recognition it may not confer upon persons who are not members of the bar authority to perform services within a State which, under its laws, constitute the practice of law in violation of that State's laws." (Emphasis added.)

Despite the invitation in the penultimate paragraph of the Court's opinion above, to petition this Court for certiorari, no such petition was ever filed.

In *In Re Bercu* (1948), 273 App.Div. 524, 78 N.Y.S. 2d 209, 9 A.L.R. 2d 787, affirmed 299 N.Y. 728, 87 N.E. 2d 451, the New York Court recognized that admission by an accountant to the Treasury Department did not give him a right "to practice tax law at large," saying:

> "We are unable, therefore, to regard the admission of accountants, subject to certain qualifications and regulations of the Treasury Department and the Tax Court, to practice before those agencies, as an authorization to accountants to practice tax law at large or as an eradication of the distinction between the lawyer's and the accountant's function in the tax field."

Other cases in which the courts have recognized that admission to practice before Federal agencies does not constitute a license to practice law without compliance with State regulation of the practice of law include the following:

> *Petition of Kearney* (Fla. 1953), 63 So. 2d 630 (practice before the Treasury Department pursuant to 5 U.S.C. § 261, does not authorize practice of federal tax law in Florida).
>
> *In re Gibbs* (Arizona 1929), 278 P. 371 (practice before the Interior Department pursuant to 5 U.S.C. § 493 does not authorize Arizona member of the bar to solicit such practice).

POINT FOUR

THE COURTS VESTED WITH JUDICIAL POWER HAVE THE EXCLUSIVE RIGHT TO ADMIT PERSONS TO THE BAR AND TO DISBAR, AND TO DEFINE WHAT CONSTITUTES THE PRACTICE OF LAW AND TO EXCLUDE UNAUTHORIZED PERSONS THEREFROM. THE LEGISLATURE HAS NO POWER TO AUTHORIZE PEOPLE TO PRACTICE LAW

A. The Courts Vested With Judicial Power Have the Right To Admit To the Bar and To Disbar

The Constitution of the United States vests the judicial power in the Courts. It has accordingly been held by this Court that "admission" to the Bar is "the exercise of judicial power and has been so held in numerous cases." *Ex Parte Garland*, 4 Wall. (1867), 333, 378, 18 L.Ed. 370; *Theard* v. *United States* (1957), 354 U.S. 278, 1 L.Ed. 2d 1342, 77 S.Ct. 1274, *supra*, p. 19.

The State cases universally hold to the same effect, as will be pointed out in the next section, B.

B. "Authority to Admit to the Bar and to Disbar Necessarily Carries With It Power to Define What Constitutes the Practice of Law and to Exclude Unauthorized Persons Therefrom."

It appears to be universally the law, as was said in *Rhode Island Bar Association* v. *Automobile Service Association* (1935), 55 R.I. 122, 179 A. 139, 142, that "authority to admit to the bar and to disbar necessarily carries with it the power to define what constitutes the practice of law and to exclude unauthorized persons therefrom."

To the same effect, *In Re Opinion of the Justices* (1935), 289 Mass. 607, 194 N.E. 313; *People* v. *People's Stock Yards State Bank* (1931), 344 Ill. 462, 176 N.E. 901, *supra*, and *Bump* v. *District Court of Polk County* (1942), 232 Iowa 623, 5 N.W. 2d 914.

The foregoing cases are set forth and discussed at length in the brief of the American Bar Association as *amicus curiae* filed contemporaneously herewith, p. 60-65, to which we respectfully refer the Court. In addition, the American Bar brief sets forth a considerable number of additional cases so holding.

Accordingly, it is the universal weight of authority that, where the judicial power of government is vested in the Courts, the Congress or a State legislature may not authorize a person to practice law.

C. Neither the Legislature Nor an Administrative Agency May Authorize a Person to Practice Law Before the Agency

It appears to be the universal weight of authority that, where the judicial power is vested in the Courts, neither the State legislature nor a State administrative agency may authorize a person to practice law.

Thus, in *State ex rel. Johnson* v. *Childe* (1941), 139 Neb. 91, 295 N.W. 381, the Court held that neither the state statutes nor the rules of the Railway Commission of Nebraska could authorize the practice of law by a layman before an administrative agency. The court, among other things, said:

> "These sections of the statute convey broad powers upon the railway commission with reference to its procedure, but *they do not authorize one not admitted to the bar to engage in the practice of law.* The determination of the persons to be licensed to practice law is a judicial function over which the courts have exclusive control. The issue therefore resolves itself into the question whether the acts performed by respondent amounted to the practice of law." (Emphasis added.)

To the same effect:

State of Wisconsin v. *Keller* (1962), 16 Wis. 2d 377, 114 N.W. 2d 796, petition for certiorari filed Oct. 12, 1962, 31 U.S. Law Week 3104 (No. 429 Oct. Term, 1962).

Hoffmeister v. *Todd* (Mo. 1961), 349 S.W. 2d 5.

People v. *Goodman* (1937), 366 Ill. 346, 8 N.E. 2d 941.

Clark v. *Austin* (1937), 340 Mo. 467, 101 S.W. 2d 977.

Chicago Bar Association v. *United Taxpayers of America* (1941), 312 Ill. App. 243, 38 N.E. 2d 349.

Appeal of Bailey (Ohio App. 1956), 137 N.E. 2d 528.

State ex rel Daniel v. *Wells* (1939), 191 So. Car. 468, 5 S.E. 2d 181.

The cases above set forth are discussed at greater length in the brief of the American Bar Association as *amicus curiae*, pp. 64-72.

POINT FIVE

CONGRESS HAS NOT ATTEMPTED TO AUTHORIZE THE COMMISSIONER TO AUTHORIZE THE PETITIONER TO PRACTICE LAW RELATING TO PATENTS, BUT ONLY TO PREVENT INCOMPETENT AND DISREPUTABLE PERSONS FROM REPRESENTING INVENTORS BEFORE THE PATENT OFFICE.

A. The Statute On Its Face Is Essentially of a Housekeeping Character and Does Not Purport to Authorize Anyone to Practice Patent Law

In 1928, when Petitioner was registered by the Patent Office as a "patent attorney," practice before the Patent Office was governed by section 487 of the Revised Statutes as amended by section 3 of the Act of February 18, 1922, 42 Stat. 390, 35 U.S.C. § 11 (1946). Section 487, and its current codification as 35 U.S.C. §§ 31 and 32, provides authority for the Commissioner of Patents only to prescribe rules (subject to approval by the agency head) appropriate to "the recognition of agents, attorneys, or other persons" to represent inventors and others "in the presentation or prosecution of their applications or other business before the office," and to "suspend or exclude" "incompetent or disreputable" persons from further practice before his office. This language does not attempt to authorize anyone to practice law relating to patents in Florida or anywhere else, nor does it disclose any such Congressional purpose. On the contrary, the language of section 487 is essentially of a housekeeping character. See *Goldsmith* v. *United States Board of Tax Appeals* (1926), 270 U.S. 117, 70 L.Ed. 494, 46 S.Ct. 215; *Phillips* v. *Billinger* (1916), 37 App. D.C. 46, 49, *appeal dismissed sub. nom. Phillips* v. *Fisher* (1913), 229 U.S. 630, 57 L.Ed. 1358; 16 *Ops. Att'y Gen.* 488 (1880).

In *Goldsmith* v. *United States Board of Tax Appeals* (1926), 270 U.S. 117, 70 L.Ed. 494, 46 S.Ct. 215, this

Court held that the statutory authority of the Board of Tax Appeals to conduct its proceedings "in accordance with such rules of evidence and procedure as the Board may prescribe" included the power to adopt rules for the admission of attorneys and accountants to practice before the Board. In that case, the Board had excluded the petitioner, an accountant, from admission to practice on *ex parte* considerations. In a mandamus proceeding to compel his admission the petitioner argued that the Board had no power to limit the taxpayer's choice of representative. In rejecting this argument, this Court likened the Board's statutory power to prescribe rules of procedure to express statutory provisions authorizing the Secretary of the Treasury and the Secretary of the Interior to prescribe rules "governing the recognition of agents, attorneys, or other persons representing claimants before his department" under the Acts of July 7, 1884, 23 Stat. 258, 5 U.S.C. § 261, and July 4, 1884, 23 Stat. 101, 5 U.S.C. § 493 (270 U.S. 117, 121, 122):

> "We think that the character of the work to be done by the board, the quasi judicial nature of its duties, the magnitude of the interests to be affected by its decisions, all require that *those who represent the taxpayers in the hearings* should be persons whose qualities as lawyers or accountants will secure proper service to their clients and to help the board in the discharge of its important duties. *In most of the executive departments in which interest of individuals as claimants or taxpayers are to be passed on by executive officers or boards, authority is exercised to limit those who act for them as attorneys to persons of proper character and qualification to do so. Not infrequently, statutory provision is made for requiring a list of enrolled attorneys to which a practitioner must be admitted by the executive officer or tribunal.* Act

> of July 7, 1884, 23 Stat. at L. 236, 258 . . . [5 U.S.C. § 261]; Act of July 4, 1884, 23 Stat. at L. 98, 101 . . . [5 U.S.C. § 493]; Act of June 10, 1921, 42 Stat. at L. 25 . . . [31 U.S.C. § 52 (f)]. In view of these express provisions, it is urged that the absence of such authority in case of the board of tax appeals should indicate that it was not intended by Congress to give it the power. *Our view, on the contrary, is that so necessary is the power and so usual is it that the general words by which the board is vested with the authority to prescribe the procedure* in accordance with which its business shall be conducted *include* as part of the procedure *rules of practice for the admission of attorneys. It would be a very curious situation if such power did not exist in the board of tax appeals when in the Treasury Department and the office of the Commissioner of Internal Revenue there is a list of attorneys enrolled for practice in the very cases which are to be appealed to the board.*" (Emphasis added.)

In no way did this Court intimate that the statutory authority of the Board or of the Secretaries of the Treasury and Interior Departments under the 1884 Acts—the language of which is substantially identical to the statutory authority of the Patent Office under § 487 of the Revised Statutes—extended beyond the housekeeping power to exclude, by fair procedures, unsuitable persons from "representing" persons "in the hearings" before the board. For it is inconceivable that the admission of accountants to practice before the Board of Tax Appeals constitutes an authorization to practice law relating to federal taxation throughout the several States without regard to State regulation of the practice of law.

In *Phillips* v. *Ballinger*, *supra*, an attorney at law sought to enjoin the Secretary of the Interior from

disbarring him from practice before the Interior Department on the ground that the statute authorizing the disbarment (section 5 of the Act of July 4, 1884, 23 Stat. 101, 5 U.S.C. § 493) was void on due process grounds due to the vagueness of the term "disreputable" and due to the failure of the statute to provide for the swearing of witnesses in disbarment proceedings thereunder. This section of the 1884 Act contained essentially the same language as was added to section 487 of the Revised Statutes by the Act of February 18, 1922, *supra*. In affirming dismissal of the bill and upholding the statute, the Court of Appeals stated that "it is unnecessary to consider whether [the 1884 Act] constitutes anything more than a legislative sanction of the practice heretofore existing" since "prior to the passage of the Act," by virtue of section 161 of the Revised Statutes, 5 U.S.C. section 22, "*the Secretary certainly had the power to prescribe rules governing the conduct of agents and attorneys in his department*," and *this "would seem to include the power to exclude such agents* and attorneys as the Secretary, after notice and hearing, should find no longer entitled to enjoy the privileges theretofore granted." *Id.* at 49. (Emphasis added.)

Moreover, in 16 *Ops. Att'y Gen.* 148 (1880), the Attorney General pointed out that agency heads had authority to regulate practice before their departments in the absence of express statutory provisions:

> "Referring to your informal note of the 21st of April, I would answer that the Secretary of the Interior has authority to disbar for misconduct attorneys practicing before his Department. This authority is not given by statute, but seems to have been one exercised heretofore by heads of Depart-

ments in the protection of the Government. Its limits were defined by Attorney-General Hoar [in 13 Ops. Att'y Gen. 150] as follows:

> 'It is competent to the head of a Department as a measure for the protection of the public interests committed to his charge, *to decline to recognize or to suspend the transaction of business with an agent or attorney for frauds and fraudulent practices* attempted or committed by him in the prosecution of claims before the Department, and whose character is such that a reasonable degree of confidence cannot be placed in his integrity and honesty in dealing with the Government.
>
> 'The authority to pursue this course under those circumstances rests upon the very necessity that exists for its adoption as a safeguard against fraud in administering the laws relating to the settlement and payment of claims upon the United States.
>
> 'Besides, it is a just and necessary limitation upon the right of a party to be represented by an agent, and to select the agent by whom he will be represented, that he shall not employ a person offensive or dangerous to the other party with whom he is to deal.' " (Emphasis added.)

In the light of these statements of implied authority to regulate practice before Government agencies, it is clear from the words of section 487 of the Revised Statutes that it does not go beyond sanction of the exercise of this implied housekeeping power at the level of the Commissioner of Patents. Like section 161 of the Revised Statutes, section 487 does not attempt to say that "recognition" is intended to be a federal authorization to practice law relating to patents in Florida.

Section 487 authorizes the Commissioner to exercise the power of "recognition" by requiring "such persons, agents, or attorneys, before being recognized as representatives of applicants," to show "that they are of good moral character and in good repute, are possessed of the necessary qualifications to enable them to render to applicants or other persons valuable service, and are likewise competent to advise and assist applicants" in "the presentation and prosecution of their applications . . . before the office." But it does not manifest a Congressional purpose to authorize the practice of law in the patent field. Rather does § 487 show that with respect to practice *before the Patent Office* the Commissioner may exclude incompetent or disreputable persons from such practice, whether or not they are admitted to practice law in a particular State. This power of exclusion obviously complements, not supersedes, State regulation of the practice of law since it is plainly compatible with such State regulation to require practitioners before the Patent Office to evidence competence in the highly technical field of patents.

B. Practice "Before" the Patent Office Means "In The Presence of the Patent Office"

Notwithstanding that § 487 in terms does not trench on the State police power to regulate the practice of law, Petitioner and the United States would have this Court interpret "recognition" "before the Patent Office" pursuant to § 487 to constitute the affirmative grant of a federal license to practice law relating to patents anywhere in the United States. But nothing in § 487 supports this claim. For State power to admit to the Bar and the Federal power under § 487 to require special qualifications incident to practice before the

Patent Office have little if any overlap and none of a conflicting character.

Specifically, when not used in a temporal sense, the word "before" ordinarily means "*in the presence of.*" Thus "an affidavit made before a magistrate" in 18 U.S.C. § 3182 means made "in the presence of" the magistrate, *State* v. *Murnane,* (1927), 172 Minn. 401, 215 N.W. 803; *Ex parte Davis* (1933), 333 Mo. 262, 62 S.W. 2d 1086, 89 A.L.R. 589; *In re Murphy* (1947), 321 Mass. 206, 72 N.E. 2d 413. Acknowledgment of a deed by an officer over the telephone is not an acknowledgment "before" that officer required by statute, *Hutchinson* v. *Stone,* 79 Fla. 157, 84 So. 151. "In the presence of the enemy" is synonymous with "before the enemy" in a court martial specification, *Bigrow* v. *Hiatt* (D. Pa. 1947), 70 F. Supp. 826, 829. Moreover, that "before the Patent Office" necessarily means "in the presence of the Patent Office" is confirmed by the words "presentation or prosecution" which also clearly import activities "in the presence of" the Patent Office and not throughout the United States that potentially may come before the Patent Office.

C. In 1938 the Rules of the Patent Office Expressly Disclaimed Any Intention of "Authorizing Persons Not Members of the Bar to Practice Law"

The rules of practice before the Patent Office never have expressed or implied any attempt to authorize a person to practice law relating to patents in Florida or elsewhere. But since 1938 they have specifically provided or recognized that admission to practice before the Patent Office is not to be construed as author-

izing persons not members of the bar to practice law.[6] Thus, in 1938, Rule 17 of the Rules of Practice (495 O.G. 715) for the first time established a "register of attorneys" for attorneys at law, and a wholly separate "register of agents" for persons not attorneys at law, "on which will be entered the names of all persons entitled to represent applicants before the Patent Office in the presentation and prosecution of applications for patent." The purpose and significance of this separate recognition of patent lawyers and agents was made meaningful by an express provision of the rule applicable both to agents and attorneys at law:

> "Registration under the provisions of this rule **shall not be construed as authorizing persons not members of the bar to practice law.**" (Emphasis added.)

This amendment to Rule 17 is a clear administrative interpretation of § 487 of the Revised Statutes that admission to practice before the Patent Office was never intended to authorize the practice of patent law in Florida or elsewhere.

Moreover, this interpretation of § 487 was continued in 1949, when, incident to a comprehensive revision of the Rules of Practice, the portion of Rule 17 recognizing that registration "shall not be construed as author-

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[6] Prior to 1938, the rules show only an evolving power of exclusion of disruptable or incompetent lawyers or laymen from practice before the Patent Office that really began in 1898 when all persons recognized as eligible to represent inventors before the Patent Office were enrolled on a register of "patent attorneys" without regard to whether they were attorneys at law. The more significant details of this evolution are traced in the *Amicus* Brief of the American Bar Association, Appendix C.

izing persons not members of the bar to practice law" was incorporated in Rule 341 and restated as

> "Registration in the Patent Office under the provisions of these rules shall **only** entitle the persons registered to practice before the Patent Office." (29 C. F. R. § 1.341 (1949)) (Emphasis added.)

Thus this limitation continues the provision that admission to practice before the Patent Office is not to be understood as authorizing the practice of law by persons "not members of the bar." That the 1949 restatement of Rule 17 was not a substantive change is evidenced by the word "only" which states in affirmative language what Rule 17 stated in the negative. Moreover, this philosophy with respect to affirmatively disclaiming any intent to authorize the practice of law was repeated in 1955 when, acting under the successor statute to § 487 (35 U.S.C. §§ 31, 32), the Commissioner of Patents revised the rules of practice before the Patent Office in trademark cases to provide among other things that "Recognition of any person under this section is not to be construed as sanctioning the performance of any acts regarded in the jurisdiction where performed as the unauthorized practice of law." (37 C.F.R. § 2.12 (d) (1955)).

Thus we think it absolutely clear that the Patent Office itself has repeatedly disclaimed any intention to authorize any one to practice law.

D. The Legislative History of § 487 Confirms the Housekeeping Character of the Statute

The legislative history shows that Congress in enacting section 487 of the Revised Statutes, as amended in 1922, had no thought of regulating the practice of law or of authorizing the Commissioner to authorize persons to practice law relating to patents. Responding to requests of the Patent Office, Congress in 1922 was endeavoring solely to enlarge the housekeeping authority of the Commissioner to deny or refuse "recognition" on grounds in addition to "gross misconduct" previously authorized by section 487, particularly for engaging in false or misleading advertising. It sought also to give the Commissioner final administrative authority in the exercise of this power to exclude without obtaining the prior approval of the Secretary of Interior. The only reference to the practice of law was in recognition of the inability of the State Courts to prevent out of State "patent attorneys," mostly in Washington, D. C., from engaging in fraudulent advertising and in recognition of the power of the State Courts to disbar any attorney at law within a State who solicited patent business. This legislative history is set forth in Appendix C of the *Amicus* Brief of the American Bar Association.

E. Admission to Practice Before the Patent Office Does Not Entitle Petitioner to Practice Patent Law in the Federal Courts

No Federal court has recognized admission to practice before the Patent Office in patent and trademark cases as constituting eligibility to practice law with respect to such cases in the Federal courts. For example, Rule 11 of the Rules of Practice of the United

States Court of Customs and Patent Appeals expressly limits eligibility to admission to practice before that Court to "Any attorney who is entitled to practice in the Supreme Court of the United States or in the courts of appeals of the United States or in the court of last resort in any State or Territory or the District of Columbia or in the United States Court of Claims" without regard, for the purposes of the jurisdiction of that Court in patent and trademark cases, to whether the attorney has also been admitted to practice before the Patent Office. The same is true of the United States District Courts.

Thus Petitioner can not claim, by virtue of being "recognized" by the Patent Office, a right to practice law relating to patents inside the courtroom, and there is no greater basis for Petitioner to claim a right to practice law relating to patents *outside* the courtroom.

POINT SIX

IF THE STATUTE COULD BE CONSTRUED TO MEAN THAT CONGRESS HAS AUTHORIZED THE COMMISSIONER TO AUTHORIZE THE PETITIONER TO PRACTICE LAW RELATING TO PATENTS IN FLORIDA, IT WOULD BE INVALID AS AN IMPROPER DELEGATION OF LEGISLATIVE POWER

First, Congress has no power to authorize people to practice law. Any attempt by Congress to authorize people to practice law in the federal field would be an invasion of the judicial power vested in this court. See Point Four, *supra*, p. 46.

Second, however, if we should assume, for purposes of argument that Congress has the power to authorize people to practice law in the federal field, nevertheless, as set forth in Point Five, *supra*, p. 49. Congress has never attempted to authorize the Commissioner of Patents to authorize the Petitioner to practice law relating to patents in Florida. The statute in question is a mere housekeeping statute designed to exclude undesirable persons from "recognition" by the Patent Office. Dealing solely as it does with "recognition" by the Patent Office, it does not purport to confer any right whatever to practice law relating to patents in Florida.

Third, if we should assume, for the purpose of argument, that this statute could be interpreted to mean that Congress has attempted to authorize the Commissioner of Patents to authorize Petitioner to practice law relating to patents in Florida, to that extent the statute would be invalid for the additional reason that it would be an unconstitutional delegation of legislative power.

Here it is significant that in 1938 the Rules of Practice of the Patent Office were amended to provide, with respect to both "attorneys" and agents, that

> "Registration under the provisions of this rule *shall not be construed as authorizing persons not members of the bar to practice law.*" (Emphasis added.)

Later, the Rules were amended to provide that

> "Registration in the Patent Office shall *only* entitle the persons registered to practice before the Patent Office." (Emphasis added.)

The foregoing provisions are in complete harmony with the decision below enjoining Petitioner from certain acts in Florida which constituted the practice of law.

Now, however, Petitioner contends that the Rules of Practice give him a federal license to do the precise thing that they have categorically prohibited him from doing beginning in 1938. Stated otherwise, in 1938 the Rules of Practice specifically provided that "Registration . . . shall not be construed as authorizing persons not members of the bar to practice law." Now Petitioner claims that the Rules specifically authorize him to engage in the practice of law relating to patents in Florida. And no particular reason appears as to why he should be prohibited in one year and permitted in another year, with respect to the very same act.

But if we can assume the construction of the statute contended by Petitioner, the first significant feature of this from the standpoint of delegation of legislative power is that the "practice of law" as the *subject* of any such delegation by Congress is not even mentioned, let alone "defined" in the statute. Second, there is a

complete absence of *standards*[7] laid down by Congress as to when, how or whether the Commissioner of Patents may authorize and when he may prohibit laymen to practice law relating to patents in one of the states. Accordingly, Petitioner contends that if today the Commissioner feels that it is a good idea to prohibit laymen from engaging in the practice of law relating to patents, he can promulgate a rule saying so. If tomorrow, he decides that such is not a good idea, he can promulgate a contrary ruling permitting layman to practice law relating to patents in every State. In short, the very thrust of the Petitioner's claim is that the Commissioner of Patents may permit or prohibit laymen from practicing law or license them to practice law, *as he pleases*, in the complete absence of any standards laid down by Congress defining when, whether or how laymen should be permitted to practice law. This would be conferring an unfettered discretion upon a Government official—something not permitted by our system of government.

That this would be unlawful is well settled by the cases. First, it is clear that, in order to validly delegate legislative power, the "*subject to which this authority relates*" must be "*defined.*" Thus in *Panama Refining Co.* v. *Ryan* (1935), 293 U.S. 388, 79 L. Ed. 446, 55 S. Ct. 241, the Court, among other things, said:

> "Fourth. Section 9(c) is assailed upon the ground that it is an unconstitutional delegation of legislative power. The section purports to authorize the President to pass a prohibitory law.

[7] Such standards as appear in the statute relate solely to criteria under which the Commissioner may *exclude* unsuitable persons from representing applicants before the Patent Office, as distinguished from standards appropriate to the exercise of a power to authorize persons to practice law relating to patents.

> ***The subject to which this authority relates is defined.*** It is the transportation in interstate and foreign commerce of petroleum and petroleum products which are produced or withdrawn from storage in excess of the amount permitted by state authority. Assuming for the present purpose, without deciding, that the Congress has power to interdict the transportation of that excess in interstate and foreign commerce, the question whether that transportation shall be prohibited by law is obviously one of legislative policy. Accordingly, we look to the statute to see whether the Congress has declared a policy with respect to that subject; whether the Congress has set up a standard for the President's action; whether the Congress has required any finding by the President in the exercise of the authority to enact the prohibition. (293 US 414, 415.) (Emphasis added.)

In the instant statute, however, there is no mention whatever of the "subject" of authorizing anyone to "practice law" relating to patents in Florida or elsewhere.

Second, it is also clear that the question as to whether and how the subject is to be regulated—once it is defined—"is obviously one of legislative policy." See the quotation from the *Panama* case immediately above. The statute must be scrutinized to see, first, whether Congress has declared a policy with respect to the subject defined, and second, whether the Congress has set up *standards* for the action of the delegate. *Panama Refining Co.* v. *Ryan* (1935), 293 US 388, 79 L. Ed. 446, 55 S. Ct. 241, *supra*, A. L. A. *Schechter Poultry Corp.* v. *United States* (1935), 295 US 495, 79 L. Ed. 1570, 55 S. Ct. 837, 97 A. L. R. 947.

The question presented, and the holding of the *Schechter* case that section 3 of the National Industrial

Recovery Act was an unconstitutional delegation of legislative power are set forth below:

> "Second. The question of the delegation of legislative power. We recently had occasion to review the pertinent decisions and the general principles which govern the determination of this question. *Panama Ref. Co.* v. *Ryan,* 293 U.S. 388, ante, 446, 55 S. Ct. 241. The Constitution provides that 'all legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.' Art. 1, § 1. And the Congress is authorized 'to make all laws which shall be necessary and proper for carrying into execution' its general power. Art. 1, § 8, Par. 18. The Congress is not permitted to abdicate or to transfer to others the essential legislative functions with which it is thus vested." (295 US 529).
>
> * * * * *
>
> "To summarize and conclude upon this point: § 3 of the Recovery Act is without precedent. It supplies no standards for any trade, industry or activity. It does not undertake to prescribe rules of conduct to be applied to particular states of fact determined by appropriate administrative procedure. Instead of prescribing rules of conduct, it authorizes the making of codes to prescribe them. For that legislative undertaking, § 3 sets up no standards, aside from the statement of the general aims of rehabilitation, correction and expansion described in § 1. In view of the scope of that broad declaration, and of the nature of the few restrictions that are imposed, *the discretion of the President* in approving or prescribing codes, and thus enacting laws for the government of trade and industry throughout the country, *is virtually unfettered.* We think that the code-making authority thus conferred is an unconstitutional delegation of legislative power." (295 US 541, 542). (Emphasis added.)

Again, in the instant case, if we could assume that the statute could be construed to mean that Congress intended to authorize the Commissioner to authorize the Petitioner to practice law relating to patents in Florida, there is a complete absence of standards as to how, whether or when the Commissioner should authorize the Petitioner to practice law. There would be a conferring of an unfettered discretion on the Commissioner. As Justice Cardoza put it, concurring in the *Schechter* case, "*This is delegation running riot.*" 295 U.S. 553.

POINT SEVEN

IF THE STATUTE COULD BE CONSTRUED TO AUTHORIZE THE COMMISSIONER TO AUTHORIZE THE PETITIONER TO PRACTICE PATENT LAW IN FLORIDA, IT WOULD ALSO EXCEED THE POWERS CONFERRED ON THE FEDERAL GOVERNMENT IN THE CONSTITUTION AND INVADE THE POWERS RESERVED TO THE STATES BY THE TENTH AMENDMENT.

A. Introduction

First, we have shown above in Point Four, *supra*, p. 46, that where the judicial power of government is vested in the Courts, as it is in the Constitution of the United States, only the Courts have the power to admit to the Bar and to disbar, and have the power to define what constitutes the practice of law and to exclude unauthorized persons therefrom. The legislative branch—Congress—has no power to authorize persons to practice law, in the federal field or elsewhere.

Second, however, for purposes of argument only, and contrary to Point Four, we are assuming in this point that Congress could authorize people to practice law. And third, we also assume for purposes of argument only and contrary to Point Five, *supra*, p. 49, that the statute in question could be construed to mean that Congress attempted to authorize the Commissioner to authorize the Petitioner to practice law in Florida. Fourth we further assume, contrary to Point Six, *supra*, p. 60, again for purposes of argument only, that the statute, so construed, could be held to be a constitutional delegation of legislative power despite the fact that the practice of law is not even mentioned as the "subject" of any attempted delegation, and there is a complete absence of standards as to whether, when or how, or on what basis, the Commissioner should authorize people to practice law.

Only on the basis of these three assumptions do we proceed to this point.

B. Except for the Protection of An Inventor's Right to a Patented Invention, the Patent Clause of the Constitution and the Patent Laws Passed by Congress Are Subject to the Police Power of the States.

Petitioner (brief, p. 27) quotes from *McClurg* v. *Kingsland* (1843), 1 How. 202, 206, 11 L. Ed. 102, 103, to the effect that "the powers of Congress to legislate upon the subject of patents is plenary," but omits the context in which the statement was made. The full paragraph involved is as follows:

> "The exceptions to the charge were confined to these two points, which constitute the only subject for our consideration. Whether these exceptions are well taken or not *must depend on the law as it stood at the emanation of the patent, together with such changes as have been since made;* for though they may be retrospective in their operation, that is not a sound objection to their validity; *the powers of Congress to legislate upon the subject of patents is plenary by the terms of the Constitution,* and as there are no restraints on its exercise, *there can be no limitation of their right to modify them at their pleasure, so that they do not take away the rights of property in existing patents.*" (1 Howard 206.)

So we see that *McClurg* v. *Kingsland* did not involve State-Federal relations in the field of patents, as is implied by Petitioner in his brief, p. 27. Rather, it was a suit brought by the assignees, McClurg, *et al.*, of an inventor, Harley, against Harley's former employer, Kingsland, for infringement of a patent. The trial Court had submitted the case to the jury on a charge that the facts presumed a license to Kingsland, to use the patent. Harley had developed the invention while employed by Kingsland, had given him free use of it before an application for a patent was made, and had been given an increase in wages for making the

invention. The case itself turned upon the consolidated effect of successive acts of Congress relating to the particular patent. And it appears to be plain that, when this Court said "the powers of Congress to legislate upon the subject of patents is plenary by the terms of the Constitution . . . there can be no limitation on their right to modify them, so long as they do not take away the rights of property in existing patents," this Court was discussing only the right of Congress to legislate, and amend its legislation, *with respect to the particular patent in question*, and as between employer and employee. It was not discussing relations between the State and Federal Governments.

But there are significant cases in the field of Federal-State accommodation relating to patents. Probably the leading case is *Patterson* v. *Kentucky* (1879), 97 US 501, 24 L. Ed. 1115. That case analyzed the substance, scope and limits of the power conferred by the States on the Federal Government in Article I, Section 8, Clause 8, which only provides that:

> "The Congress shall have Power . . . To promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries."

It is to be noted that this clause of the Constitution does not mention the word "patents," and that, grammatically, the only "power" conferred is to promote science, etc., "*by securing* for limited times to authors and inventors *the exclusive right* to their respective writings and discoveries." (Emphasis added.) Thus the vitals of the power conferred, in our context, is to "*secure . . . the exclusive right to . . . discoveries.*" The word "secure" means "protect." *Wheaton* v. *Peters* (1834), 8 Pet. 591, 8 L.Ed. 1055; *Patterson* v.

Kentucky (1879) 97 U.S. 501, 506, 24 L.Ed. 1115; *Webber* v. *Virginia* (1881) 103 U.S. 344, 349, 26 L.Ed. 565. Nothing more was granted by the States, in this connection, to the Federal Government. In contrast to the commerce power, for instance, no broad power such as the power to "regulate discoveries and patents therefor, and the use thereof," was granted.

So in *Patterson* v. *Kentucky*, the Court of Appeals of Kentucky had affirmed a judgment imposing a fine of $250 for violation of a Kentucky statute prohibiting, with criminal penalties, the sale of certain oils which burned at temperatures considered unsafe for illuminating purposes. The plaintiff in error had manufactured the oil in question, known as "Aurora" oil in accordance with letters patent issued to her assignor. Accordingly, she claimed that "she had the right to sell the Aurora oil in any part of the United States, and that no State could, consistently with the Federal Constitution and the laws of Congress prevent or obstruct the exercise of that right . . ." by passing laws "to which the patented article could not be made to conform."

In affirming the judgment below, this Court had a number of significant things to say with respect to the limited scope of the power conferred:

> "Congress is given power to promote the progress of science and the useful arts. To that end it may, by all necessary and proper laws, secure to inventors, for limited times, the exclusive right to their discoveries. That power has been exerted in the various statutes prescribing the terms and conditions upon which inventors may obtain letters patent. It is true that *letters patent, pursuing the words of the statute, do, in terms grant to the inventor, his heirs and assigns, the exclusive right to make, use and vend to others his invention or discovery*, throughout the United States and the

Territories thereof. *But, obviously, this is not granted to or secured, without reference to the general powers which the several States of the Union unquestionably possess* in reference to their purely domestic affairs, whether of internal commerce or of police." (Emphasis added.) (97 U.S. 503.)

* * * * *

"The Kentucky statute being, then, an ordinary police regulation for the government of all engaged in the internal commerce of that State, the only remaining question is, whether under the operation of the Federal Constitution and the laws of Congress, it is without effect in all cases where the oil, although condemned by the State as unsafe for illuminating purposes, has been made and prepared for sale in accordance with a discovery for which letters patent have been granted. We are of opinion that *the right conferred upon the patentee and his assigns to use and vend the corporeal thing or article, brought into existence by the application of the patented discovery, must be exercised IN SUBORDINATION TO the police regulations which the State has established by the Statute of 1874.*" (Emphasis added.) (97 U.S. 505.)

* * * * *

"These considerations, gathered from the former decisions of this court, would seem to justify the conclusion that *the right which the patentee or his assignee possesses in the property, created by the application of a patented discovery, must be enjoyed subject to the complete and salutary power with which the States have never parted,* of so defining and regulating the sale and use of property within their respective limits as to afford protection to the many against the injurious conduct of the few." (Emphasis added.) 97 U.S. 506.)

* * * * *

"*The right which the patent primarily secures is the exclusive right in the discovery*, which is an incorporeal right, or, in the language of Lord Mansfield, in Millar v. Taylor, 4 Burr., 2303, 'a property in notion,' which 'has no corporeal tangible substance.' *The enjoyment of that incorporeal right may be secured and protected by national authority against all hostile state legislation;* but the tangible property which comes into existence by the application of the discovery is not beyond the control as to its use of state legislation, simply because the inventor acquires a monopoly in the discovery.

"An instructive case upon the precise point under consideration is *Jordan* v. *Overseers of Dayton*, 4 Ohio 295. Jordan was sued in debt, to recover certain penalties for practicing medicine in violation of an Ohio Statute regulating the practice of physic and surgery. His defense rested, in part, upon the ground that the medicine administered by him was that for which letters patent had issued to his assignor, granting to the latter the exclusive right of making, constructing, using and vending to others to be used, the medicine in question, which was described in the letters patent as a new and useful improvement, and as being a mode of preparing, mixing, compounding, administering and using that medicine. The contention of Jordan was, that the State Government could not restrict or control the beneficial or lucrative use of the invention; and that, as assignee of the patentee, he was entitled to administer the patented medicine *without obtaining a license to practice physic or surgery as required by the state Statute*. The Supreme Court of Ohio said: 'This leads us to consider the nature and extent of such rights as accrue from letters patent for useful discoveries.'" (Emphasis added.) (97 U.S. 506, 507.)

* * * * *

"'*If the State should pass a law for the purpose of destroying a right created by the Constitution, this court will do its duty; but an attempt by the Legislature, in good faith, to regulate the conduct of a portion of its citizens*, in a matter strictly pertaining to its internal economy, we cannot but regard as a legitimate exercise of power, *although such law may sometimes indirectly affect the enjoyment of rights flowing from the Federal Government.*'"

* * * * *

"In the case of *Livingston* v. *Van Ingen*, 9 Johns., 507, Chancellor Kent said that 'The national power will be fully satisfied if the property created by patent be, for the given time, enjoyed and used exclusively, so far as, under the laws of the several States, the property shall be deemed [fit] for toleration [and use]. There is no need of giving this power any broader construction in order to attain the end for which it was granted, which was to reward the beneficent efforts of genius, and to encourage the useful arts.'"

* * * * *

"Without further elaboration, we deem it only necessary to say that the *Kentucky Statute does not, in our judgment, contravene the provisions of the Federal Constitution, or of any statute passed in pursuance thereof. Its execution creates no necessary conflict with national authority, and interferes with no right secured by federal legislation*, to the patentee or his assigns." (Emphasis added.) (97 US 509.)

The Ohio case of *Jordan* v. *Overseers of Dayton*, relied upon by this Court in *Patterson* v. *Kentucky*, is specially pertinent to the case at bar. Indeed, it was an unauthorized practice case. There Jordan was sued for certain penalties for having violated the prohibition against the unauthorized practice of medicine.

His defense was that he was administering certain patent medicine and was entitled to do so "*without obtaining a license to practice physic and surgery as required by the state statute.*" Moreover, in the Ohio Supreme Court Jordan had insisted that

> "the power of the legislature is limited in this case because the patent, securing to Thompson [the plaintiff's assignor] the exclusive right of preparing and mixing medicines, emanated from the general government, under the authority of the constitution; and that its full effect cannot be had, unless it be holden altogether exempt from the state control."

But the Ohio Supreme Court overruled this defense on the ground that the patent power confered by the Constitution was only "indirectly affected" (97 US 508) by and subject to the right of the State, in the exercise of its police power, to regulate the practice of medicine in Ohio, with the approval of this Court. And just as in that case the patent clause of the Constitution and the laws passed by Congress pursuant thereto were held subject to the police power of the State to regulate the practice of medicine, so in this case they are subject to the police power of the State to regulate the practice of law.

Also, in *Webber* v. *Virginia* (1881) 103 US 344, 26 L. Ed. 565, Webber had been convicted for unlawfully selling and offering for sale certain Singer Sewing Machines without having first obtained a license for that purpose. Thus, the question was whether the State could require a *license* for the sale of articles which had been patented. One of Webber's defenses was that the Singer Manufacturing Company held a patent of the United States, "authorizing it to manu-

facture and sell them anywhere in the United States." (page 347). In holding that there was no error in overruling this defense, this Court pointed out that "The combination of different materials . . . which constitutes the invention or discovery, cannot be forbidden by the State," but indicated that the Constitution does not confer any general right on the Federal Government to regulate anything and everything that happens to be connected with "patents." Instead, the Constitution only conferred very limited power, that is, only power with respect to "the right to the invention or discovery, the incorporeal right" and that that was the only right with which the State could not interfere. Otherwise, however, the Court pointed out that "*Congress never intended that the patent laws should displace the police powers of the states,*" and that, except with respect to the right to the invention or discovery, whatever rights are secured to inventors under the patent laws of the United States must be enjoyed "*in subordination to*" the police power of the States. Thus this Court, among other things, said:

> "The patent for a dynamite powder does not prevent the State from prescribing the conditions of its manufacture, storage and sale, so as to protect the community from the danger of explosion. A patent for the manufacture and sale of a deadly poison does not lessen the right of the State to control its handling and use. The legislation respecting the articles which the State may adopt after the patents have expired, it may equally adopt during their continuance. **It is only the right to the invention or discovery, the incorporeal right, which the State cannot interfere with. Congress never intended that the patent laws should displace the police powers of the States,** meaning by that term those powers by which the health, good order, peace and general welfare of the com-

munity are promoted. *Whatever rights are secured to inventors* must be enjoyed *in subordination* to this general authority of the State over all property within its limits." (Emphasis added.) (103 US 347-348.)

* * * * *

"In accordance with the views thus expressed, we can find no objection to the legislation of Virginia *in requiring a license for the sale of the sewing-machines*, by reason of the grant of letters patent for the invention." (Emphasis added.) 103 US 349.)

In another, perhaps even more significant case, *Allen* v. *Riley* (1906), 203 US 347, 51 L. Ed. 216, 27 S. Ct. 105, this Court upheld a Kansas statute which required one selling a patent right in any county in that state to file with the Clerk in such county an authentic copy of the letters patent, together with an affidavit of genuineness of the letters patent and as to other matters. And this was in the very face of a Federal statute which regulated the same subject matter. It provided that a patent or interest therein shall be assignable in law by an instrument in writing, which assignment is to be void against any subsequent purchaser or mortgagee without notice unless recorded in the Patent Office within three months from the date thereof.

What happened was that the plaintiff in the trial court sued to recover the value of certain lands alleged to have been transferred by him to the defendant in part payment for the transfer to the plaintiff of certain rights under a patent for a washing machine. The right to recover was based upon the failure of defendants to comply with the Kansas statute. In turn, the defendants insisted that the Kansas statute in question violated the patent clause of the Constitu-

tion "*and the Federal statute passed in pursuant thereof,*" Revised Statutes, Section 4898.

It was asserted by the defendants in the trial court that the subject of the sale or assignment of an interest in a patent "is derived from the laws of Congress passed with reference to the constitutional provision quoted above, and that any regulations whatever, by any state authority, in regard to such assignment or sale, and making provision in respect to them, are illegal."

However, the Supreme Court of Kansas upheld the Kansas statute and affirmed a judgment for plaintiff. And on writ of error to this Court, the judgment was affirmed and the Kansas statute upheld. After discussing *Patterson* v. *Kentucky, supra*, this Court had the following to say regarding *Webber* v. *Virginia, supra:*

> "*Webber* v. *Virginia, supra,* relates also to tangible property covered by a patent, and it was held that the patent did not exclude from the operation of the taxing or licensing law of the state the tangible property manufactured under a patent. It was said in that case that 'Congress never intended that the patent laws should displace the police powers of the states,' meaning by that term those powers by which the health, good order, peace, and general welfare of the community are promoted. Whatever rights are secured to the inventors must be enjoyed in subordination to this general authority of the state over all property within its limits."

This Court then proceeded to uphold the statute in the following language:

> "We think the state has the power (certainly until Congress legislates upon the subject) with

regard to the provision which shall accompany the sale or assignment of rights arising under a patent, *to make reasonable regulations concerning the subject, calculated to protect its citizens* from fraud. And we think Congress has not so legislated by the provisions regarding an assignment contained in the act referred to."

* * * * *

It is noteworthy that when this Court remarked that "the State has the power (certainly until Congress legislates upon the subject) with regard to the provision which shall accompany the sale or assignment of rights arising under a patent," this Court was dealing with the very subject of Constitutional power—the "exclusive right" to an invention. But to repeat, in our case there is no Congressional legislation relating any real relation to that subject, and nothing relating thereto with which the decision below could be said to interfere.

The Court further said:

> "To uphold this kind of a statute is by no means to authorize any state to impose terms which, possibly, in the language of Mr. Justice Davis, in Ex parte Robinson, 2 Biss. 309, Fed. Cas. No. 11,932, 'would result in a prohibition of the sale of this species of property within its borders, and in this way nullify the laws of Congress which regulate its transfer, and destroy the power conferred upon Congress by the Constitution.' Such a statute would not be a reasonable exercise of the powers of the state." (Emphasis added.)

The last quotation is particularly significant. It points out that the State could not prohibit "the sale of this species of property," by "property" meaning a patent. In short, the Constitution protects the exclu-

sive right of the inventor to the patent, and the State could not prohibit the sale thereof. But, as the Court held, it may "make *reasonable regulations concerning*" the sale or assignment thereof.

Finally, the Court concluded, significantly, that:

> "The mere provision in the Federal statute for an assignment and its record as against subsequent purchasers, etc., *is not such legislation as takes away the rights of the states to legislate on the subject themselves in a manner neither inconsistent with, nor opposed to, the Federal statute.* We think the judgment is right, and it is affirmed." (Emphasis added.)

In *Long* v. *Rockwood* (1928), 277 U.S. 142, 72 L. Ed. 145, 84 S. Ct. 461, this Court held that a State could not tax royalties for the use of patents issued by the United States. Justice Holmes, Brandeis, Sutherland, and Stone, however, dissented, in a cogent opinion which, among other things, said:

> "Even with regard to patents some laws of a kind that might destroy the use of them within the state have been upheld. *Patterson* v. *Kentucky*, 97 U.S. 501, 24 L. ed. 1115; *Webber* v. *Virginia*, 103 U.S. 344, 26 L. ed. 565; *Emert* v. *Missouri*, 156 U.S. 296, 39 L. ed. 430, 5 Inters. Com. Rep. 68, 15 Sup. Ct. Rep. 367. They must be reasonable or they will be held void, but if this court deems them reasonable they stand. *Allen* v. *Riley*, 203 U.S. 347, 355, 51 L. ed. 216, 218, 27 Sup. Ct. Rep. 95, 8 Ann. Cas. 137."

Long v. *Rockwood* has now been overruled by *Fox Film Corp.* v. *Royal* (1932), 286 U.S. 123, 76 L. Ed. 1010, 52 S. Ct. 542, thus giving added significance to the potent language quoted above from the opinion by Mr. Justice Holmes. And the limited interest of

the United States under the patent and copyright clause is mentioned in the opinion by Chief Justice Hughes in the *Fox Film* case, upholding a State tax on the gross receipts of royalties of licenses for copyrighted motion pictures, as follows:

> "*The sole interest of the United States and the primary object* in conferring the monopoly lie in the general benefits derived by the public from the labors of authors. A copyright, like a patent, is 'at once the equivalent given by the public for benefits bestowed by the genius and meditations and skill of individuals and the incentive to further efforts for the same important objects.' Kendall v. Winsor, 21 How. 327, 328, 16 L.ed. 167, 168; Grant v. Raymond, 6 Pet. 218, 241, 242, 8 L. ed. 376, 384, 385. (Page 1014) (Emphasis added.)

The scope of the patent clause of the Constitution was also held to be limited in *Crown Die & Tool Company* v. *Nye Tool & Machine Works*, 261 U.S. 24, 67 L. Ed. 516, 43 S. Ct. 254. There the Plaintiff sued to enjoin the alleged infringement of a patent. In the course of an opinion by Chief Justice Taft the Court had occasion to analyze the scope of the power granted to Congress by Article 1, Clause 8, and among other things said:

> "The analysis of the rights which a patentee acquires under the grant is sustained by a line of authorities."
>
> * * * * *
>
> "The fullest and most satisfactory discussion of the subject is found in the Continental Paper Bag Co. v. Eastern Paper Bag Co., 210 US 405, 52 L. ed. 1122, 28 Sup. Ct. Rep. 748."
>
> * * * * *

"The court held that the government did not confer on the patentee the right himself to make, use, or vend his own invention, that such right was a right under the common law, not arising under the Federal Patent Laws, *and not within the grant of power to Congress to enact such laws.*" (Emphasis added.)

* * * * *

C. Even With Respect to an Inventor's Exclusive Right to an Invention, the State May Make "Reasonable Regulations" Concerning It

We think it clear that our case does not involve any interference with "securing," or "protecting," an inventor's "exclusive right" to an invention. But even if it did, *Allen* v. *Riley*, and Mr. Justice Holmes' opinion in *Long* v. *Rockwood*, *supra* in B above, make it perfectly clear that "reasonable regulations" of even that subject by the States in the exercise of the police power, will be sustained.

D. Even a Broad Grant of Power Such as the Power of Congress to Regulate Interstate Commerce, Can Be "Burdened" by the Police Power to Some Extent

The grant of power relating to "securing . . . the exclusive right to . . . discoveries," by the States to the Federal government, is narrow and limited. In this context the word "securing" appears to mean "shielding" or "guarding" . . . the exclusive right to . . . discoveries. (Webster's Dictionary.) This is in great contrast to the broad grant of power to the Federal government to "regulate" interstate and foreign commerce. Indeed, the very use of the word "regulate" imports a sweeping power of control not even hinted at in the narrow verb "securing" . . . the exclusive right to . . . "discoveries." For the word "regulate" means

that Congress can "fix, establish, or control; to adjust by rule, method or established mode; to direct by rule or restriction; to subject to governing principles or laws." *Black's Law Dictionary*, 4th Edition, Page 1451. See *United States* v. *Darby*, 312 U.S. 100, 85 L. Ed 609, 61 S. Ct. 451, 132 A.L.R. 1430.

Accordingly, with this vast gulf between the meaning of these two very different words, one might think that, while the States can reasonably regulate everything in the exercise of the police power, apart from the right to the invention itself, under the patent laws, they could not affect interstate commerce at all. The contrary, however, is true. Even the broad commerce power conferred upon the Federal government may be "burdened" or indirectly affected to some extent.

This is concisely summarized in *Huron Portland Cement Company* v. *the City of Detroit* (1960), 362 U.S. 440, 4 L. Ed. 2d 852, 80 S. Ct. 813. In that case a corporation engaged in operating federally licensed steam vessels in interstate commerce sought to enjoin the enforcement against it of provisions of the Smoke Abatement Code of the City of Detroit under which the Corporation's steam vessels could not, without undergoing structural alterations, perform necessary cleaning of their fires within the city. The Michigan Supreme Court affirmed a judgment for the defendant, and on appeal that judgment was affirmed by this Court. This Court held that the intent to supersede the exercise by the State of its police power as to matters not covered by Federal legislation is not to be inferred; and that the object of the Federal inspection statute was different from the aim of the Detroit ordinance. The purpose of the Federal inspection statutes was to insure the seagoing safety of vessels

subject to inspection, while the aim of the Detroit ordinance was the elimination of air pollution. This Court held that the Federal inspection legislation had not at all pre-empted local action, and repeated the admonition of earlier cases that conflicts between state and Federal regulation are not to be sought out where they do not clearly exist. And finally this Court held that the mere possession of a Federal license "does not immunize a ship from the operation of the normal incidents of local police power not constituting a direct regulation of commerce." Mr. Justice Stewart's opinion concluded:

* * * * *

"*We cannot hold that the local regulation so burdens the federal license as to be constitutionally invalid.*" (Emphasis added.)

* * * * *

E. Cases Relied on by Petitioner Do Not Support Its Position

The cases of *Leslie Miller, Inc.* v. *Arkansas* (1956) 352 US 187, 1 L. Ed. 2d 231, 77 S.Ct. 257, and *Johnson* v. *Maryland* (1920) 254 U.S. 51, 65 L. Ed. 126, 41 S. Ct. 16, do not support Petitioner's position. Both cases dealt with "the immunity of the instruments of the United States from state control" (352 U.S. 190), something which cannot be said to be present in our case. In addition, in *Leslie Miller* v. *Arkansas*, the State had imposed license requirements which "would give the State's licensing board a virtual power of review over the federal determination of 'responsibility' and would thus frustrate the expressed federal policy of soliciting the lowest responsible bidder." In the instant case, however, the requirements with respect to "recognition" of persons by the Patent Office, and those of The Florida Bar with respect to the administration of

justice by control of the Courts over the practice of law, relate to wholly different subject matter. The State of Florida has not exerted any "powers of review" over any "federal determination," and no "expressed federal policy" has been "frustrated."

Kingsland v. *Dorsey* (1950) 338 U.S. 318, 94 L. Ed. 123, 70 S. Ct. 123, does not support Petitioner's position. Unlike Petitioner, Dorsey was a lawyer, and was disbarred by the Patent Office. His disbarment was upheld by this Court. Petitioner quotes (brief p. 34) from the decision, p. 319, but omits to state that the quotation given related to a *lawyer* practitioner before the Patent Office. Moreover, it is obvious that Dorsey could have been the subject of separate disciplinary proceedings in the jurisdiction of his admission to the Bar. Petitioner can scarcely claim that Dorsey's disbarment would prevent the bringing of disciplinary proceedings in such jurisdiction or would be *res judicata* therein. Thus the case shows how different are the two subjects of (a) admission of a person to a State Bar, and (b) "recognition" by the Patent Office.

POINT EIGHT

THE NECESSARY EFFECT OF PETITIONER'S CLAIM IS TO SEEK TO INJECT A HOST OF LAY PRACTITIONERS INTO THE PRACTICE OF LAW THROUGHOUT THE STATES TO "THWART THE CONTROL OF THE COURTS OVER THE PRACTICE OF LAW AND IRREPARABLY IMPAIR THE SOUND ADMINISTRATION OF JUSTICE."

The brief of the United States (p. 3-5) contains more than a hint of the tremendous disruption of the practice of law and the administration of justice in the various States which is the essence of Petitioner's claim. For its necessary thrust is that other laymen would claim that they, too, have federal licenses to practice law in some field of law in every State of the Union. Thus laymen admitted to practice before various administrative agencies might claim that, in every State, they now have federal licenses to practice tax law, transportation law, government contract law, probate, etc. law relating to veterans, immigration law, social security law, agricultural law, banking law, labor law, federal power and natural gas law, tariff law, etc. This would destroy the practice of law as a seamless web, decimate the legal profession, "thwart the control of the Courts over the practice of law, and irreparably impair the sound administration of justice," to quote Chief Justice Vanderbilt in *Stack* v. *P. G. Garage, Inc.* (1951), 7 N.J. 118, 80 A. 2d 545, 547. See also *Theard* v. *United States* (1957), 354 U.S. 278, 1 L. Ed. 2d 1342, 77 S. Ct. 1274.

POINT NINE

PRESERVING THE INTEGRITY OF THE LEGAL PROFESSION AND THE PRACTICE OF LAW BY QUALIFIED PERSONS IS A MATTER OF VITAL CONCERN TO THE PUBLIC. A STRONG BAR IS POSITIVELY ESSENTIAL TO THE PUBLIC WELFARE.

It is a fact of no small significance that one of the first acts of dictators such as Hitler, Mussolini and Castro, upon assuming office, is to decimate the legal profession. And with the decimation of the Bar, there also disappears that protection of the public which the Bar affords. In particular, there could be no real protection of civil rights in the absence of a strong Bar.

For a strong bar is itself positively essential to the public welfare. It is the American lawyer who is the bulwark of individual rights in our country, whether these be denominated human rights or property rights. It is he who is the protector of the citizen against oppression, whether from a neighbor or from the government. If the practice of law is to be whittled away, chip by chip, and turned over to laymen and lay agencies, then the public will no longer have the protection which a strong bar affords, and the public will suffer.

In the leading case of *Rhode Island Bar Ass'n* v. *Automobile Service Ass'n* (1935), 55 R. I. 122, 179 A. 139, where the defendants were held in contempt of court for unlawfully practicing law, the Court, among other things, said:

> "*The bar is an important element of our judicial system*, and all of its members are obligated to govern their professional conduct in full accord with the solemn responsibility which that entails. Under our system of law the most effective guaranty of equal justice to all in the commonwealth is a competent and learned bar composed of men

of high personal character who govern their professional conduct at all times by the well known and generally accepted canons of legal ethics. The lack of such a bar, or the coexistence with it of an array of individuals or groups operating under deceptive devices and catch-names to mislead the public into the belief that they are intrusting their causes to those learned in the law and competent to serve them, would inevitably result in a deprivation of justice to many in the state. In such an atmosphere, there would be a strong tendency for the bar to sink to the level of its unauthorized and unqualified competitors. (Emphasis added)

As was cogently summarized in *West Virginia State Bar* v. *Earley* (1959), 144 West Va. 504, 109 S. E. 2d 420, 435, *supra:*

"[21, 22] The justification for excluding from the practice of law persons who are not admitted to the bar and for limiting and restricting such practice to licensed members of the legal profession is not the protection of the members of the bar from competition or the creation of a monopoly for the members of the legal profession, but instead the protection of the public from being advised and represented in legal matters by unqualified and undisciplined persons over whom the judicial department of the government could exercise slight or no control. Chicago Bar Association v. United Taxpayers of America, 312 Ill. App. 243, 38 N. E. 2d 349; Lowell Bar Association v. Loeb, 315 Mass. 176, 52 N. E. 2d 27; In re Shoe Manufacturers Protective Association, Inc., 295 Mass. 369, 3 N. E. 2d 746; State ex rel. Wright v. Barlow, 132 Neb. 166, 271 N. W. 282; New Jersey State Bar Association v. Northern New Jersey Mortgage Associates, 22 N. J. 184, 123 A. 2d 498; People v. Alfani, 227 N. Y. 334, 125 N. E. 671; State ex rel. Daniel v. Wells, 191 S. C. 468, 5 S. E. 2d 181. The admission to membership in the legal

profession is a privilege granted in the interest of the public to those who are morally fit and mentally qualified for the sole purpose of protecting the unwary and the ignorant from injury at the hands of persons unskilled or unlearned in the law. Tumulty v. Rosenblum, 134 N. J. L. 514, 48 A. 2d 850. The licensing of lawyers is not designed to give rise to a professional monopoly but instead to serve the public right to protection against unlearned and unskilled advice and service in relation to legal matters. Auerbacher v. Wood, 142 N. J. Eq. 484, 59 A. 2d 863. The reason for the requirement that the practice of law be engaged in only by duly licensed practitioners of the law is to establish and maintain a legal standard by which the rights of persons may not be jeopardized or sacrificed by counsel and advice of unlicensed and incompetent persons who give or attempt to give legal advice, prepare documents and pleadings, file and prosecute proceedings and examine witnesses in courts or other tribunals. State ex rel. Hunter v. Kirk, 133 Neb. 625, 276 N. W. 380. *It is essential to the administration of justice and the proper protection of society that* unlicensed persons be not permitted to prey upon the public by engaging in the practice of law. Clark v. Austin, 340 Mo. 467, 101 S. W. 2d 977. The reason laymen are forbidden to engage in the practice of law is that it is detrimental to the public interest for them to represent themselves to the public that they are qualified to do so when in fact they are not so qualified. Liberty Mutual Insurance Company v. Jones, 344 Mo. 932, 130 S. W. 2d 945, 125 A. L. R. 1149.

"In In re Opinion of the Justices, 279 Mass. 607, 180 N. E. 725, 81 A. L. R. 1059, the court said: '*It is indispensable to the administration of justice* and the interpretation of the laws that there be members of the bar of sufficient ability, adequate learning and sound moral character. This arises

from the need of enlightened assistance to the honest, and restraining authority over the knavish, litigant. It is highly important, also, that the public be protected from incompetent and vicious practitioners, whose opportunity for doing mischief is wide. It was said by Cardozo, C. J., in People ex rel Karlin v. Culkin, 248 N. Y. 465, 470-471, 162 N. E. 487: "Membership in the bar is a privilege burdened with conditions." One is admitted to the bar "for something more than private gain." He becomes "an officer of the court, and, like the court itself, an instrument or agency to advance the ends of justice. His co-operation with the court" is due "whenever justice would be imperiled if co-operation was withheld." Without such attorneys at law the judicial department of government would be hampered in the performance of its duties. That has been the history of attorneys under the common law, both in this country and in England. 'See also Meunier v. Bernich, (La. Court of Appeal), 170 So. 567." Emphasis added)

In *State* v. *Perkins* (1934), 138 Kan. 899, 28 P. 2d 765, a person not admitted to the Kansas Bar was ordered to cease and desist from the practice of law. The Court, among other things, had this to say about the importance to the courts and litigants of preserving the integrity of the Bar and prohibiting unauthorized practice:

"The importance to courts and litigants of well-informed trustworthy attorneys at law is well recognized, and frequently has been judicially noticed. Recently, in Re Opinion of the Justices, 279 Mass. 607, 180 N. E. 725, 727, 81 A. L. R. 1059 it was said: 'It is indispensable to the administration of justice and the interpretation of the laws that there be members of the bar of sufficient ability, adequate learning and sound moral character. This arises from the need of enlightened assistance

to the honest, and restraining authority over the knavish, litigant. It is highly important, also, that the public be protected from incompetent and vicious practitioners, whose opportunity for doing mischief is wide.'

"In Re Cannon, 206 Wis. 374, 240 N. W. 441, 445, it was said: 'The relation of the bar to the courts is a peculiar and intimate relationship. The bar is an attache of the courts. *The quality of justice dispensed by the courts depends in no small degree upon the integrity of its bar. An unfaithful bar may easily bring scandal and reproach to the administration of justice and bring the courts themselves in to disrepute.*'

"The opinion contains an exhaustive history of the development of the bar as an aid in the administration of justice.

"In Rosenthal v. State Bar Examining Committee, 116 Conn. 409, 165 A. 211, at page 213, it was said:

'The practice of law is not a craft or a trade; it is a profession whose main purpose is to aid in the doing of justice according to law between the state and the individual and between man and man. The occasions upon which an attorney may be required to act touch, in many instances, the deepest and most precious concerns of men, women, and children. They may involve the liberty, the property, the happiness, the character, and the life of his client. Obviously, one not possessing an adequate degree of intelligence and education cannot perform this kind of service, nor should he be permitted to attempt to do so. * * *

'The ultimate purpose of all regulations of the admission of attorneys is to assure the courts the assistance of advocates of ability, learning, and sound character and to protect the public from incompetent and dishonest practitioners.'" (Emphasis added)

In *Harter Title & Abstract Co. v. Grievance Committee* (1944), 142 Tex, 596, 179 S. W. 2d 946, *supra*, the Supreme Court of Texas also pointed out that it would be useless from the standpoint of the public interest to require high standards of the Bar if persons not members could practice the arts of the profession. The Court, among other things, said:

> "*The practice of law is a matter of vital interest to the public.* The lawyer is primarily engaged in the protection and preservation of the liberties and property rights of the people and the administration of justice among them, which is one of the primary purposes of good government. As society has become more compact the law has necessarily become more complex, requiring increased skill in its application. The Legislature in recognition of this fact has from time to time increased the prelegal and legal attainments required for admission to the Bar. These safeguards have been deemed necessary by the Legislature to protect the public against the loss of their liberty and property rights through ill advice from incompetent practitioners. It is readily apparent that it would serve no useful purpose to require high standards of efficiency for members of the legal profession if those who have not attained these standards of efficiency are to be permitted to practice the arts of the profession. Also, the relation between attorney and client is a most intimate one, involving the highest degree of confidence and trust, and in which, as a consequence, there is almost unlimited opportunity for fraud on the part of the attorney. It is apparent, therefore, that those who are to be entrusted with the opportunities of such a position should be possessed of a high degree of integrity. In recognition of this the Legislature has set up machinery for the establishment of canons of ethics for the profession, and the disbarment of those guilty of fraudulent or dishonorable practice or malpractice.

> *Again, it would be useless to establish high standards of morality for members of the profession if those who are not members, and therefore not bound by such canons, could practice the arts of the profession.* The State has a vital interest in the regulation of the practice of law for the benefit and protection of the people as a whole, and the legislation above referred to was adopted in furtherance of a wholesome public policy." (Emphasis Added) (pp. 947-8)

In *Clark* v. *Reardon* (1937), 231 Mo. App. 666, 104 S. W. 2d 407, *supra*, where a non-lawyer was adjudged in contempt of court for unlawfully practicing law, the Court, among other things, said:

> "This court has inherent powers to guard the administration of the law in its jurisdiction. That is the primary power. The regulation of attorneys is but secondary and supplemental. It is our duty to see that the law is administered by none except those deemed qualified, as evidenced by a license; and by them only as long as they remain ethically qualified. *It would be illogical* to say that we have the inherent power to revoke the license of, or to punish, one who was once deemed, by competent authority, to be fitted to advise the public in legal matters, and *also to hold that such inherent authority does not extend far enough to protect the public and the reputation of the law, the courts, and the ministers of the law and the courts, against one never considered qualified to advise in and practice the law.* 'To deny the power of the court to deal with such offenders would be tantamount to a destruction of the power itself.' People ex rel. Illinois State Bar Association et al v. People's Stock Yards State Bank, 344 Ill. 462, loc. cit. 473, 176 N. E. 901, 906; Clark et al v. P. H. Coon, supra." (p. 412) (Emphasis added)

In *State* v. *Barlow* (1936), 131 Neb. 294, 268 N. W. 95, where an information charging a non-lawyer with

the unlawful practice of law was sustained, the Court, among other things, said:

> "*This court possesses inherent power to protect itself and its officers from any unlawful interference with its functions as a court.* This it may do, not only for the purpose of protecting the court and its officers, but in the interest of the public at large to prevent it from being exploited and injured by one unlawfully assuming to act as an officer of the court. *There are many instances where persons' rights have been jeopardized and sacrificed because of following the counsel and advice of unlicensed persons, giving or attempting to give legal advice.*" (p. 98-99) (Emphasis added)

In *Grievance Committee, etc.* v. *Coryell* (Tex. Civ. App. 1945), 190 S. W. 2d 130, a notary public who was drawing real estate conveyances and giving opinions on titles was held to have been engaged in the unauthorized practice of law. The Court, among other things, said:

> "The controlling purpose of all laws, rules and decisions with regard to the licensing of lawyers is to protect the public against persons inexperienced and unlearned in legal matters from attempting to perform legal services. Wrong legal advice by a layman is equally injurious whether given for or without consideration or compensation. *The instances are legion where litigation could have been avoided and expense saved had the deed, mortgage, will, or contract involved been drawn by an attorney instead of a layman inexperienced and unlearned in the legal effect of the language used in such instruments.* The paramount purpose of licensing practitioners of law is the protection of the people from the inexperienced and unlearned in law who attempt to practice law without first qualifying themselves in the courses of study and as to the character require-

ments prescribed for lawyers. So, independently of any statutory provisions as to what may constitute practice of law, the court has the duty and the inherent power to determine in each case what constitutes the practice of the law and to inhibit persons from engaging in the practice of law without having obtained a license to do so." (Emphasis Added) (p. 131)

See also *People* v. *Lawyers Title Corp.* (1940), 282 N. Y. 513, 27 N. E. 2d 30, 33.

There are many cases showing injury to the public through the incompetence or other deficiencies of unauthorized practitioners in the real estate field.

In *In re Baker* (1951), 8 N. J. 321, 85 A. 2d 505, where non-lawyers were held to have unlawfully engaged in the practice of law by drafting legal instruments, Chief Justice Vanderbilt said:

> "We do not consider it to be necessary that a person be engaged in a 'course of conduct' over a period of time in order to be engaged in the practice of law. To impose such a test would result in the wholly absurd situation of this court being called upon to determine how many wills a layman may draw, or how many 'clients' he may advise, or, more bluntly, how many times he may defraud the public by his impositions before he be deemed to be engaged in the practice of law and thus subject to the superintending power of this court. We are of the firm opinion that a single act, e.g., the preparation of a will or the drawing of a power of attorney, may in appropriate circumstances constitute the practice of law. There is no sound reason why the doing of a single act calling for the skills and learning of an attorney does not constitute the practice of law just as most certainly the performance of a single operation by a surgeon constitutes the practice of medicine. *The amateur at law is as dangerous to the community*

as an amateur surgeon would be." (Emphasis added) (pp. 513-14)

"The soundness of his position is the more evident if it is borne in mind that the *underlying purpose of regulating the practice of law is not so much to protect the public from having to pay fees to unqualified legal advisors as it is to protect the public against the often drastic and far-reaching consequences of their inexpert legal advice.*" (Emphasis added) (p. 514)

CONCLUSION

Petitioner is no more entitled, by virtue of his "recognition" by the Patent Office, to practice law relating to patents in Florida—that is, outside the courtroom, in Florida—than he is to practice law relating to patents inside the courtroom, that is, in this Court and the other federal Courts, and in the United States Court of Customs and Patent Appeals.

The judgment should be affirmed.

Respectfully submitted,

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APPENDIX

Constitution of the United States

Art. I, Sec. 8, cl. 8. The Congress shall have power . . . To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.

. . . . . .

Art. I, Sec. 8, cl. 18. The Congress shall have Power . . . To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

. . . . . .

Art. VI, cl. 2. This Constitution, and the Laws of the United States which shall be made in Pursuance thereof and all treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, anything in the Constitution or Laws of any State to the contrary notwithstanding.

Amendment X. The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

Constitution of the State of Florida

Art. II. The powers of the government of the State shall be divided into three departments: Legislative, Executive and Judicial. No person properly belonging to one of the departments shall exercise any powers appertaining to either of the other departments, except in cases expressly provided for by this constitution.

Art. V, § 1. The judicial power of the State of Florida is vested in a supreme court, district courts of appeal, circuit courts, Court of Record of Escambia County, criminal courts of record, county courts . . . and such other courts, including municipal courts, or commissions, as the Legislature may from time to time ordain and establish.

§ 23. The supreme court shall have exclusive jurisdiction over the admission to practice law and the discipline of persons admitted. . . .

Section 2, Article 2, of the Integration Rule of The Florida Bar, 31 F.S.A.:

"No person shall engage in any way in the practice of law in this state unless such person is an active member of The Florida Bar, in good standing, except that a practicing attorney of another state, in good standing, who has professional business in a court of record of this state may, upon motion, be permitted to practice for the purpose of such business only, when it is made to appear that he has associated and appearing with him in such business an active member of The Florida Bar."

Acts of Congress

(1) In effect when Petitioner was admitted to practice before the Patent Office in 1928:

Section 487 of the Revised Statutes, As Amended by § 3 of the Act of February 18, 1922, 42 Stat. 390, 35 U.S.C. § 11 (1946):

The Commissioner of Patents, subject to the approval of the Secretary of the Interior, may prescribe rules and regulations governing the recognition of agents, attorneys, or other persons representing applicants or other parties before his office, and may require of such persons, agents, or attorneys, before being recognized as representatives of applicants or other persons, that they shall show that they are of good moral character and in good repute, are possessed of the necessary qualifications to enable them to render to applicants or other persons valuable service, and

are likewise competent to advise and assist applicants or other persons in the presentation or prosecution of their applications or other business before the office. And the Commissioner of Patents may, after notice and opportunity for a hearing, suspend or exclude, either generally or in any particular case, from further practice before his office any person, agent, or attorney shown to be incompetent or disreputable, or guilty of gross misconduct, or who refuses to comply with the said rules and regulations, or who shall, with intent to defraud in any manner, deceive, mislead, or threaten any applicant or prospective applicant, or other person having immediate or prospective business before the office, by word, circular, letter, or by advertising. The reasons for any such suspension or exclusion shall be duly recorded. And the action of the Commissioner may be reviewed upon the petition of the person so refused recognition or so suspended or excluded by the Supreme Court of the District of Columbia under such conditions and upon such proceedings as the said court may by its rules determine.

Section 483 of the Revised Statutes (As Amended by § 12 of the Act of February 14, 1903, 32 Stat. 830, 35 U.S.C. § 6 (last sentence) (1946):

The Commissioner of Patents may, subject to the approval of the Secretary of Commerce, from time to time establish regulations, not inconsistent with law, for the conduct of proceedings in the Patent Office.

(2) Currently in effect:

35 U.S.C. §§ 31, 32, 33:

§ 31. The Commissioner, subject to the approval of the Secretary of Commerce, may prescribe regulations governing the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Patent Office, and may require them, before being recognized as representatives of applicants or other persons, to show that they are of good moral character and reputation and are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office.

§ 32. The Commissioner may, after notice and opportunity for a hearing, suspend or exclude, either generally or in any particular case, from further practice before the Patent Office, any person, agent, or attorney, shown to be incompetent or disreputable, or guilty of gross misconduct, or who does not comply with the regulations established under section 31 of this title, or who shall, by word, circular, letter, or advertising, with intent to defraud in any manner, deceive, mislead, or threaten any applicant or prospective applicant, or other person having immediate or prospective business before the Office. The reasons for any such suspension or exclusion shall be duly recorded. The United States District Court for the District of Columbia, under such conditions and upon such proceedings as it by its rules determines, may review the action of the Commissioner upon the petition of the person so refused recognition or so suspended or excluded.

§ 33. Whoever, not being recognized to practice before the Patent Office, holds himself out or permits himself to be held out as so recognized, or as being qualified to prepare or prosecute applications for patent, shall be fined not more than $1,000 for each offense.

35 U.S.C. § 6 (last sentence):

The Commissioner of Patents may, subject to the approval of the Secretary of Commerce, establish regulations, not inconsistent with law, in the conduct of proceedings in the Patent Office.

Rules of Practice of the United States Patent Office in Patent Cases

(1) Rules of Practice, U. S. Patent Office, Edition of February 1, 1929:

ATTORNEYS

17. An applicant or an assignee of the entire interest may prosecute his own case, but he is advised, unless familiar with such matters, to employ a competent patent attorney, as the value of patents depends largely upon the skillful preparation of the specification and claims. The office can not aid in the selection of an attorney.

A register of attorneys will be kept in this office, on which will be entered the names of all persons entitled

to represent applicants before the Patent Office in the presentation and prosecution of applications for patent. The names of persons in the following classes will, upon their written request, be entered upon this register:

(*a*) Any attorney at law who is in good standing in any court of record in the United States or any of the States or Territories thereof and who shall furnish a certificate of the clerk of such United States, State, or Territorial court, duly authenticated under the seal of the court, that he is an attorney in good standing, and who shall file proof that he is possessed of the legal and technical qualifications enumerated in paragraph (*b*).

(*b*) Any person not an attorney at law who is a citizen or resident of the United States and who shall file proof to the satisfaction of the Commissioner that he is of good moral character and of good repute and possessed of the necessary legal and technical qualifications to enable him to render applicants for patents valuable service and is otherwise competent to advise and assist them in the presentation and prosecution of their applications before the Patent Office.

* * * * * * * * * *

(*e*) The Commissioner may require proof of qualifications other than those specified in paragraph (*a*) and reserves the right to decline to recognize any attorney, agent, or other person applying for registration under this rule.

(*f*) Any person or firm not registered and not entitled to be recognized under this rule as an attorney or agent to represent applicants generally may, upon a showing of circumstances which render it necessary or justifiable, be recognized by the Commissioner to prosecute as attorney or agent certain specified application or applications, but this limited recognition shall not extend further than the application or applications named.

(*g*) No person not registered or entitled to recognition as above provided will be permitted to prosecute applications before the Patent Office.

(*h*) Every attorney registered to practice before the United States Patent Office shall submit to the Commissioner of Patents for approval copies of all proposed advertising matter, circulars, letters, cards, etc., intended to

solicit patent business, and if it be not disapproved by him and the attorney so notified within 10 days after submission, it may be considered approved.

Any registered attorney sending out or using any such matter, a copy of which has not been submitted to the Commissioner of Patents in accordance with this rule, or which has been disapproved by the Commissioner of Patents, shall be subject to suspension or disbarment.

Before his name may be entered on the Register of Attorneys every applicant must subscribe and swear to an oath prescribed by the Commissioner of Patents and pay to the Patent Office a registration fee of $5.

18. Before any attorney, original or associate, will be allowed to inspect papers or take action of any kind, his power of attorney must be filed. But general powers given by a principal to an associate can not be considered. In each application the written authorization must be filed. A power of attorney purporting to have been given to a firm or copartnership will not be recognized, either in favor of the firm or of any of its members, unless all its members be named in such power of attorney.

19. Substitution or association can be made by an attorney upon the written authorization of his principal; but such authorization will not empower the second agent to appoint a third.

20. Powers of attorney may be revoked at any stage in the proceedings of a case upon application to and approval by the Commissioner; and when so revoked the office will communicate directly with the applicant, or another attorney appointed by him. An attorney will be promptly notified by the docket clerk of the revocation of his power of attorney. An assignment will not operate as a revocation of the power previously given, but the assignee of the entire interest may be represented by an attorney of his own selection.

21. Parties or their attorneys will be permitted to examine their cases in the attorneys' room, but not in the rooms of the examiners. Personal interviews with examiners will be permitted only as hereinbefore provided.

(See rule 13).

22. (*a*) Applicants and attorneys will be required to conduct their business with the office with decorum and courtesy. Papers presented in violation of this requirement will be submitted to the Commissioner and returned by his direct order.

(*b*) Complaints against examiners and other officers must be made in communications separate from other papers and will be promptly investigated.

(*c*) The Commissioner of Patents may, after notice and opportunity for a hearing, suspend or exclude, either generally or in any particular case, from further practice before his office any person, agent, or attorney shown to be incompetent or disreputable, or guilty of gross misconduct, or who refuses to comply with the rules and regulations, or who shall, with intent to defraud in any manner, deceive, mislead, or threaten any applicant or prospective applicant, or other person having immediate or prospective business before the office, by word, circular, letter, or by advertising, or who shall guarantee the successful prosecution of any application for patent or the procurement of any patent, or by word, circular, letter, or advertisement shall make any false promise or misleading representation, or who uses the name of any Member of either House of Congress or of any officer of the Government in advertising his business. (Act approved April 27, 1916.) The reasons for any such suspension or exclusion shall be duly recorded. And the action of the Commissioner may be reviewed upon the petition of the person so refused recognition or so suspended or excluded by the Supreme Court of the District of Columbia under such conditions and upon such proceedings as the said court may by its rules determine.

(*d*) The Commissioner of Patents may appoint a Grievance Committee or Grievance Committees of those admitted to practice before the Patent Office. The Commissioner may refer to such committee such complaints against those admitted to practice before the Patent Office as he deems advisable. The committee or a subcommittee thereof may investigate and determine whether the complaint is well founded and, if so, present charges for suspension or exclusion from practice.

(2) Current Rules of Practice, 37 C.F.R. §§ 1.31, 1.341—1.348:

§ 1.31. Applicants may be represented by an attorney or agent. An applicant for patent may file and prosecute his own case, or he may be represented by an attorney or agent authorized to practice before the Patent Office in patent cases. The Patent Office cannot aid in the selection of an attorney or agent.

§ 1.341. Registration of attorneys and agents. A register of attorneys and a register of agents are kept in the Patent Office on which are entered the names of all persons recognized as entitled to represent applicants before the Patent Office in the preparation and prosecution of applications for patent. **Registration in the Patent Office under the provisions of these rules shall only entitle the persons registered to practice before the Patent Office.**

(a) *Attorneys at law.* Any attorney at law in good standing admitted to practice before any United States Court or the highest court of any State or Territory of the United States who fulfills the requirements and complies with the provisions of these rules may be admitted to practice before the Patent Office and have his name entered on the register of attorneys.

(b) *Agents.* Any citizen of the United States not an attorney at law who fulfills the requirements and complies with the provisions of these rules may be admitted to practice before the Patent Office and have his name entered on the register of agents.

(c) *Requirements for registration.* No person will be admitted to practice and registered unless he shall apply to the Commissioner of Patents in writing on a prescribed form supplied by the Commissioner and furnish all requested information and material; and shall establish to the satisfaction of the Commissioner that he is of good moral character and of good repute and possessed of the legal and scientific and technical qualifications necessary to enable him to render applicants for patents valuable service, and is otherwise competent to advise and assist them in the presentation and prosecution of their applications before the Patent Office. In order that the Commissioner may determine whether a person seeking to

have his name placed upon either of the registers has the qualifications specified, satisfactory proof of good moral character and repute, and of sufficient basic training in scientific and technical matters must be submitted and an examination which is held from time to time must be taken and passed. The taking of an examination may be waived in the case of any person who has actively served for four years in the examining corps of the Patent Office.

(d) *Registration of firms.* Any firm, the individual members of which are each registered on the register of attorneys, may have its name entered upon the register of attorneys. Any firm, one of the individual members of which is registered on the register of agents and each of the remaining individual members are registered either on the register of attorneys or the register of agents, may have its name entered on the register of agents. If the membership of the firm is changed, application must be made for registration of the firm as changed.

(e) *Foreign patent attorneys and agents.* Any foreign patent attorney or agent not a resident of the United States who shall file proof to the satisfaction of the Commissioner that he is registered and in good standing before the patent office of the country in which he resides and practices, and is possessed of the qualifications stated in paragraph (*c*) of this rule, may be registered on the register of agents as entitled to represent applicants located in such country before the United States Patent Office in the presentation and prosecution of applications: *Provided*, That the patent office of such country allows substantially reciprocal privileges to those admitted to practice before the United States Patent Office. Such registration shall continue only during the period that the conditions specified obtain.

(f) *Government employees.* Officers and employees of the United States who are disqualified by statute (18 U.S.C. 281) from practicing as attorneys or agents in proceedings or other matters before Government departments or agencies, may not be registered, and if any registered attorney or agent becomes such an officer or employee, his name on the register shall be endorsed as inactive during the period of such employment, but officers or employees whose official duties require the preparation and prosecu-

tion of applications for patent may be registered (on compliance with these rules) or recognized to practice, to the extent necessary to carry out their official duties.

(g) *Former examiners.* No person who has served in the examining corps of the Patent Office will be registered after termination of his services, nor, if registered before such service, be reinstated, unless he undertakes (1) not to prosecute or aid in any manner in the prosecution of any application pending in any examining division in which he served, on the date he left said division; and (2) not to prepare or prosecute nor to assist in any manner in the preparation or prosecution of any application of another filed within two years after the date he left such division, and assigned to such division, without the specific authorization of the Commissioner. Associated and related classes in other divisions may be required to be included in the undertaking or designated classes may be excluded. In case application for registration or reinstatement is made after resignation from the Office, the applicant will not be registered, or reinstated, if he has prepared or prosecuted, or assisted in the preparation or prosecution of any such application as indicated in this paragraph.

(h) *Oath and registration fee.* Before his name may be entered on the register of attorneys or on the register of agents, every applicant for registration must, after his application is approved, subscribe and swear to an oath prescribed by the Commissioner of Patents and pay the prescribed registration fee. (See § 1.21.)

(i) *Committee on Enrollment.* The Commissioner may establish a Committee on Enrollment to receive and act upon applications for registration to practice before the Patent Office, to conduct and supervise the examinations provided for in paragraph (c) of this rule, to maintain the registers and to perform such other duties in connection with enrollment and recognition of attorneys and agents as may be necessary; or such functions may be performed by designated officials of the Patent Office. Any action of such committee or official may be reviewed by the Commissioner.

§ 1.342. Limited recognition. Any person not registered and not entitled to be recognized under § 1.341 as an attorney or agent to represent applicants generally may,

upon a showing of circumstances which render it necessary or justifiable, be recognized by the Commissioner to prosecute as attorney or agent a specified application or applications, but this limited recognition shall not extend further than the application or applications specified.

§ 1.343. Persons not registered or recognized. No person or firm not registered or specifically recognized as provided in § 1.342 will be permitted to prosecute applications of others before the Patent Office.

§ 1.344. Professional conduct. Attorneys and agents appearing before the Patent Office must conform to the standards of ethical and professional conduct generally applicable to attorneys before the courts of the United States.

§ 1.345. Advertising. (a) The use of advertising, circulars, letters, cards, and similar material to solicit patent business, directly or indirectly, is forbidden as unprofessional conduct, and any person engaging in such solicitation, or associated with or employed by others who so solicit, shall be refused recognition to practice before the Patent Office or may be suspended, excluded or disbarred from further practice.

(b) The use of simple professional letterheads, calling cards, or office signs, simple announcements necessitated by opening an office, change of association, or change of address, distributed to clients and friends, and insertion of listings in common form (not display) in a classified telephone or city directory, and listings and professional cards with biographical data in standard professional directories shall not be considered a violation of this rule.

(c) *No agent shall, in any material specified in paragraph (b) of this section or in papers filed in the Patent Office, represent himself to be an attorney, solicitor or lawyer.*

§ 1.346 Signature and certificate of attorney. Every paper filed by an attorney or agent representing an applicant or party to a proceeding in the Patent Office must bear the signature of such attorney or agent, except papers which are required to be signed by the applicant or party in person (such as the application itself and affidavits required of applicants). The signature of an attorney

or agent to a paper filed by him, or the filing or presentation of any paper by him, constitutes a certificate that the paper has been read; that its filing is authorized; that to the best of his knowledge, information, and belief there is good ground to support it; and that it is not interposed for delay. When an applicant or party is represented by a registered firm, such papers must carry the signature of the firm, or the signature of an individual member of the firm or an individual registered attorney or agent employed by the firm and duly authorized to sign on behalf of the firm in addition to the firm name, and the certification constituted by the signing or presentation of the paper shall be a certification by and on behalf of the firm and by the individual.

§ 1.347. Removing names from registers. Attorneys, agents, and firms, registered to practice before the Patent Office, should notify the Office of any change of address for entry on the register, by letter separate from any notice of change of address filed in individual applications. The Office may address a letter to any person or firm on the registers, at the address of which separate notice for the register was last received, for the purpose of ascertaining whether such person or firm desires to remain on the register. The name of any person or firm failing to reply and give the information requested within a time limit specified will be removed from the register, and the names so removed published in the Official Gazette. Any name so removed may be reinstated, either on the register of attorneys or the register of agents, as may be appropriate.

§ 1.348. Suspension or disbarment proceedings. Except as otherwise provided, proceedings for suspension, disbarment, or exclusion from practice are before a Commissioner.

(a) *Investigating and prosecuting officer.* The duties of investigation, preparing charges, collecting and presenting testimony, and presenting a case for suspension, exclusion from practice or disbarment shall be performed by the Solicitor of the Patent Office or, at his direction, by a designated law examiner or other person, and neither the Solicitor nor such law examiner or other person shall participate in any manner in the decision of the case. If, upon investigation of a complaint or other informa-

tion concerning an attorney or agent, it shall appear to the Solicitor that grounds for suspension, exclusion from practice, or disbarment exist, he shall prepare and forward the necessary notice and statement.

(b) *Notice of proceedings.* Proceedings for suspension or disbarment shall be instituted by the Solicitor by mailing to, or otherwise serving on, the respondent a notice of such proceeding with a statement of the charges against him, at the same time forwarding a copy to the Commissioner. It shall be the duty of the respondent to answer the charges as specified in paragraph (c) of this rule.

(c) *Answer.* The respondent's answer shall be filed in writing with the Commissioner within thirty days from the time the notice is served on the respondent, or within such extension of time as may be allowed by the Commissioner for good cause shown. The answer shall be under oath. Failure to answer within the time allowed will be taken as an admission of the charges. The respondent in his answer should specifically admit or deny every material allegation of fact in the statement of charges; every allegation not denied shall be deemed admitted, unless the respondent states that he has no knowledge thereof sufficient to form a belief, which statement shall be considered a denial. Any special matters of defense shall be stated affirmatively in the answer. False statements in the answer may be made the basis of supplemental charges.

(d) *Hearing.* (1) Unless the Commissioner finds the answer sufficient to dispose of the charges, he will set the case for hearing before him, notifying the respondent and the Solicitor of the place, day and time of commencement of the hearing. Evidence as to the matters in issue may be submitted at the hearing, the testimony of witnesses being presented orally, under oath and reported.

(2) The hearing may be advanced and continued by the Commissioner, as far as may be deemed convenient and proper.

(3) Depositions for use at the hearing in lieu of personal appearance of witnesses may be taken by either the Solicitor or the respondent on application to and with the written consent of the Commissioner within such times and under such conditions as the Commissioner may prescribe.

(e) *Hearing officer.* The Commissioner may, in his discretion, delegate the conduct of the hearing to a hearing or trial examiner who shall be the presiding officer and who shall make a recommended decision.

(f) *Administrative Procedure Act.* Proceedings shall be governed, in matters not specially set forth herein, by the provisions of the Administrative Procedure Act, 60 Stat. 237; 5 U.S.C. 1001-1011, which may be applicable. (Emphasis added.)

Current Trademark Rules of Practice of the U. S. Patent Office, 37 C.F.R. §§ 2.11—2.18:

REPRESENTATION BY ATTORNEYS AND AGENTS

AUTHORITY NOTE: Rules 2.11 to 2.19 interpret or apply 66 Stat. 705; 35 U.S.C. 31, 32.

2.11 *Applicants may be represented by an attorney.* The owner of a trademark may file and prosecute his own application for registration of such trademark, or he may be represented by an attorney or other person authorized to practice in trademark cases. The Patent Office cannot aid in the selection of an attorney or agent.

2.12 *Persons who may practice before the Patent Office in trademark cases.* (a) Any person who is a member in good standing of the bar of the Supreme Court of the United States or of the highest court of any State, Territory, or the District of Columbia, and is not under any order of any court suspending, enjoining, restraining, disbarring, or otherwise restricting him in the practice of law, may represent others before the Patent Office in trademark cases. No application for recognition to practice in trademark cases by attorneys at law is required.

(b) Nonlawyers: *Persons who are not attorneys at law* as specified in paragraph (a) of this section *are not recognized to practice before the Patent Office in trademark cases, except that persons not attorneys at law who were recognized to practice under the rules prior to January 1, 1959* (former rule 100.42), and who in fact practiced in *connection with applications for registration filed since* July 5, 1947, *will be recognized as agents to continue practice in trademark cases in the Patent Office.*

(c) Foreign attorneys and agents: Any foreign attorney or agent not a resident of the United States who shall file proof to the satisfaction of the Commissioner that he is

registered and in good standing before the patent or trademark office of the country in which he resides and practices, may be recognized to represent applicants located in such country before the United States Patent Office in the presentation and prosecution of trademark applications: *Provided*, That the patent or trademark office of such country allows substantially reciprocal privileges to those permitted to practice in trademark cases before the United States Patent Office. Such recognition shall continue only during the period that the conditions specified obtain.

(d) **Recognition of any person under this section is not to be construed as sanctioning or authorizing the performance of any acts regarded in the jurisdiction where performed as the unauthorized practice of law.**

(e) No persons other than those mentioned in paragraphs (a), (b), and (c) of this section will be permitted to practice before the Patent Office in trademark cases. Any person may appear for himself, or for a firm of which he is a member, or for a corporation or association of which he is an officer and which he is authorized to represent, if such person, firm, corporation, or association is a party to the proceeding.

(f) Persons otherwise entitled to be recognized to practice under this section may, nevertheless, be refused recognition for cause.

2.13 *Professional conduct.* Attorneys and other persons appearing before the Patent Office in trademark cases must conform to the standards of ethical and professional conduct generally applicable to attorneys before the courts.

2.14 *Advertising.* (a) The use of display advertising, circulars, letters, cards, and similar material to solicit trademark business, directly or indirectly, is forbidden as unprofessional conduct, and any person engaging in such solicitation, or associated with or employed by others who so solicit, shall be refused recognition to practice before the Patent Office or suspended or excluded from further practice.

(b) The use of simple professional letterheads, calling cards, or office signs; simple announcements necessitated by opening an office, change of association, or change of address, distributed to clients and friends, and insertion of professional cards, listings in common form (not dis-

play) in a classified telephone or city directory, and listings and professional cards with biographical data in standard professional directories are not prohibited.

(c) *No agent shall, in any material specified in paragraph (b) of this section or in papers filed in the Patent Office, represent himself to be an attorney, solicitor or lawyer.*

2.15 *Signature and certificate of attorney or agent.* (a) Every paper filed by an attorney at law or other person representing an applicant or party to a proceeding in the Patent Office must bear the signature of such attorney at law or other person except those papers which are required to be signed by the applicant or party (such as the application itself and verifications required of applicants, registrant or others). The signature of an attorney at law or such other person to a paper filed by him, or the filing of any paper by him, constitutes a certificate that the paper has been read; that its filing is authorized; that to the best of his knowledge, information, and belief there is good ground to support it; and that it is not interposed for delay.

(b) When an applicant or party is represented by a firm composed of attorneys at law, papers may carry the signature or name of the firm, with the signature of a member or associate of the firm.

(c) When an applicant or party is represented by a firm (registered in accordance with rule 1.341 (d) of this chapter) which includes one or more nonlawyers, papers may carry the signature or name of the firm, but in any case, they must carry the signature of an individual member of the firm or of an individual employee of the firm who is registered in the Patent Office and who is authorized to sign on behalf of the firm, the certification referred to in paragraph (a) of this section shall, in either case, be a certification by and on behalf of the firm and by the individual.

2.16 *Suspension or exclusion from practice.* The Commissioner of Patents may, after notice and opportunity for a hearing, suspend or exclude, either generally or in any particular case, from further practice before the Patent Office any person, attorney, or agent shown to be incompetent or disreputable, or guilty of unethical or unprofessional conduct or gross misconduct, or who refuses to comply with the rules and regulations, or who shall, with intent to

defraud in any manner, deceive, mislead, or threaten any applicant or prospective applicant or other person having immediate or prospective business before the Patent Office, by word, circular, letter, or in any other manner. The reasons for any such suspension or exclusion shall be duly recorded. Proceedings for suspension, disbarment or exclusion from practice are conducted as provided in rule 1.348. (See 35 U. S. C. 1952, sec. 32 for review of the Commissioner's action by the District Court of the United States for the District of Columbia.)

2.17 *Recognition for representation.* (a) When an attorney at law acting in a representative capacity appears in person or signs a paper in practice before the Patent Office in a trademark case, his personal appearance or signature shall constitute a representation to the Patent Office that under the provisions of these rules and the law he is authorized, and qualified under rule 2.12 (a), to represent the particular party in whose behalf he acts. Further proof of authority to act in a representative capacity may be required.

(b) Before any nonlawyer will be allowed to take action of any kind in any application or proceeding, a written authorization from the applicant, party to the proceeding, or other person entitled to prosecute such application or proceeding must be filed therein.

2.18 *Correspondence held with attorney or agent.* Correspondence will be held with the attorney at law, or other recognized person who shall have filed his written authorization, representing the applicant or party to a proceeding. Double correspondence will not be undertaken, and if more than one attorney at law appears or more than one agent is authorized, correspondence will be held with the one last appearing or appointed, as the case may be, unless otherwise requested.

2.19 *Revocation of power of attorney or authorization of agent.* Authority to represent an applicant or a party to a proceeding may be revoked at any stage in the proceedings of a case upon notification to the Commissioner; and when it is so revoked, the Office will communicate directly with the applicant or party to the proceeding or with such other qualified person as may be authorized. The Patent Office will notify the person affected of the revocation of his authorization. (Emphasis added.)

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Supreme Court of the United States

OCTOBER TERM, 1962

No. 322

ALEXANDER T. SPERRY, *Petitioner*,

v.

STATE OF FLORIDA, ex rel., THE FLORIDA BAR,
Respondent.

On Writ of Certiorari to the Supreme Court of Florida

BRIEF OF STATE BAR ASSOCIATIONS AS AMICI CURIAE

ALABAMA BAR ASSOCIATION
ARKANSAS BAR ASSOCIATION
STATE BAR ASSOCIATION OF CONNECTICUT
THE BAR ASSOCIATION OF THE DISTRICT OF COLUMBIA
ILLINOIS STATE BAR ASSOCIATION
THE INDIANA STATE BAR ASSOCIATION
IOWA STATE BAR ASSOCIATION
KENTUCKY STATE BAR ASSOCIATION
LOUISIANA STATE BAR ASSOCIATION
MARYLAND STATE BAR ASSOCIATION
STATE BAR OF MICHIGAN
MINNESOTA STATE BAR ASSOCIATION
COMMITTEE ON PATENTS, TRADEMARKS AND COPYRIGHT LAW
NEW YORK STATE BAR ASSOCIATION
OHIO STATE BAR ASSOCIATION
OREGON STATE BAR
STATE BAR OF NEW MEXICO
STATE BAR OF TEXAS
UTAH STATE BAR ASSOCIATION
VIRGINIA STATE BAR
WYOMING STATE BAR ASSOCIATION

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BRIEF OF STATE BAR ASSOCIATIONS AS AMICI CURIAE

I

THE INTEREST OF STATE BAR ASSOCIATIONS AS AMICI CURIAE

Members of the undersigned state bar associations have been active in meeting their obligation as officers of the various state and federal courts in this country in aiding those courts in their duty to regulate, control and define the practice of law in the interest of the sound administration of justice and in the interest of the public.

Regrettably but unavoidably there has been insufficient time to be in conference with all of the state bars in order to obtain their participation in this Brief. The absence of some state bars from participation in this Brief is to be attributed to such insufficiency of time rather than to any lack of interest or a suggestion of disagreement among the bars of the various states.

II

THE JUDICIAL SYSTEM

It would be presumptuous of us to consider in detail the history and origin of our system of law as it exists today. It is common ground that our system of law evolved from an empirical and subjective application of an individual will under a feudal system wherein the "King's foot" constituted the sole measure to be applied in the administration of justice. The volume of this primitive adjudicative work and the complexity of life even at an early time compelled the conclusion that the King should appoint royal justices in his place and stead. This brought about the beginning of the use of case precedent, statutes came into being and the early treatises of Glanvil, Bracton and others stated principles of judicial process and rules of law, as a result of which we evolved into an organized system to administer justice.

In 1292, it was considered advisable to establish an organized bar. It is noteworthy that the organization of the bar was from the earliest time under the direct control of the courts.

It is undoubted today that an independent legal profession is a necessary concomitant of an independent judicial system.

III

THE AMERICAN JUDICIAL SYSTEM

The legal system and the professional bar which is its necessary auxiliary, suffered setbacks in its transplantation to this country from England. In Colonial times, an era of untrammeled individuality was thrust upon the early inhabitants. Judges were not only laymen in all courts, but in many instances, were thought preferable to lawyers. This was due not only to the lack of sufficient numbers of legally trained people, but also to the primitive nature of the body politic in an era when every man did all things for himself. The inadequacies of lay persons attempting to operate the machinery of justice as a complex mechanism for the adjudication of human and property rights was soon manifested.

At the time the United States Constitution was being considered, the leading citizens of the colonies were in large part lawyers. The underlying philosophy enunciated in our Constitution was twofold. It provided first for a Federal system with some powers of government residing in the States and the other powers in the National government. Secondly, it provided for a separation of the powers of government into the three elements with which we are all familiar. This same general approach has been adopted by the states.

Under Article III, the judicial power was conferred upon the Supreme Court of the United States. In order to determine the nature and extent of the judicial power, it is necessary to have recourse to the Common Law wherein we find that it encompasses, among other duties and powers, control over the admission to the practice of law and discipline thereafter and the regu-

lation, definition and control of the practice of law. A necessary corollary of the power to admit is the power to exclude those not meeting judicial standards of fitness.

The Industrial Revolution had a tremendous impact on our social, economic and political life, and brought with it the realization of the fact, of greater and greater complexity, requiring ever again a more sophisticated system of law to cope with the ever new problems.

Among the many methods used to cope with such greatly increased complexities was the creation of the administrative agency which was unknown in the early day of the Common Law. The confusion concerning the exact nature of an administrative agency as an element of government is obviously still with us even today. It was early manifested that the untrammeled right to make findings of fact and conclusions of law within an administrative agency was unsatisfactory unless ultimate recourse to the judiciary was available. As a result, the systems evolved within administrative agencies, upon compulsion by the courts, became consistent with our basic theories of judicial process as implemented within the pure judicial structure.

It admits of no argument today to say that much of the power of administrative agencies is quasi-judicial in nature. It is quasi-judicial, and is stated to be such, only because they exist in a separate form somewhat different from the structure of a court.

IV

THE ADMINISTRATION OF JUSTICE TODAY

Local and state bar groups have learned from actual experience that, aside from the field of criminal law, there is no field of legal activity which some lay person or business entity does not wish to invade. In some cases the motivation lies in the fees directly charged by laymen for legal services. In others, the legal services are purportedly performed gratuitously as a type of "loss leader" to attract related profitable commercial transactions.

The lay practitioner invariably urges that he has acquired a special competency in his narrow field which gives his activity a flavor of public interest. His ability to solicit and advertise and his freedom from regulation and discipline give him the means of clothing his pretense with verisimilitude. However, his lack of responsibility to the judiciary, his freedom from professional responsibility for justice in its broad application and the narrowness of his technical training combine to make his pretense just that.

Just as the fate of society rests with the courts, so it does with the bar. No unauthorized practitioner champions unpopular causes; not even, in fact, unprofitable ones. The free or underpaid service every lawyer is familiar with is a stranger to the unauthorized practitioner. The organizations of lawyers participating in this Brief firmly believe that our courts have no more grave responsibility today than the preservation of a strong and independent bar from the usurpation of judicial power by the unauthorized practitioner. The fate of the bar will be the fate of the courts. The counsel for Respondent in this Case ap-

pears as an officer of our judicial system, pleading not a private cause, but the cause of this Court and of our society.

Within our Federal system judicial power exists within the States as well as within the National government. There is no authority for the proposition that judicial power as it relates to the control of the practice of law resides in either the Legislative or Executive branches of either State or National governments. It is notable that, although no advocates are heard to say today that judicial power does exist within the Legislative or Executive branches of government, they proceed to the non sequitur of claiming incidents of such judicial power at both the state and national levels.

The state bars have taken the lead in the protection of the public against those who would pervert an honorable profession into a commercial business. A listing of all cases on the unauthorized practice of law would show that the overwhelmingly greater number of unauthorized practice cases have been decided by state courts.

It would not be tenable to contend that the Federal judiciary under its constitutionally imposed judicial powers does not have a similar right and authority to curb the unauthorized practice of law when it finds it within its judisdiction. However, it is readily apparent that the power to control and regulate the practice of law resides in the Federal judiciary, rather than the Legislative branch of the National government.

In the instant Case, the State of Florida has acted under its police powers to protect the public in a most complex area of law. No Congressional power exists

upon which Florida has, or even could have, encroached in rendering the judgment here contested.

It is to be noted that the statute enabling the Patent Office to make rules of practice does not even purport to encroach upon judicial power nor to authorize the doing of any act which would constitute such a usurpation. It does not authorize the Patent Office to license Mr. Sperry to practice law relating to patents, and the rules of the Patent Office can rise no higher than the authorization of the statute. It is interesting also that Petitioner is compelled to contend for such an extreme position in order to attempt to make this a state's rights case. It is evident upon close analysis that the major premise upon which the petitioner proceeds is fallacious.

In the past, the Federal judicial system has basically relied upon state control over the practice of law and has not duplicated the administrative machinery necessary to supervise legal education, examine applicants for character, administer bar examinations and maintain disciplinary machinery.

There can be no doubt that the powers of the Federal judiciary do extend to such fields, should it care to exercise them. There has, however, been an effective accommodation of co-existent authority over the practice of law which has been harmoniously administered in the past. There is no reason to doubt that this can and will be the future course of the Federal and State judiciaries and of the organized bar.

A profession has been defined as consisting of three elements: organization, learned art and a spirit of public service. That the organization of the bar always has been an element of the judicial system and

is administered under judicial power is manifest. The position for which Petitioner contends has the net effect of creating a chaotic situation in the bar of the several states and before the Federal judiciary by destroying the very organization of the bar as it relates to many complex areas of law. The harmonious relationship which has existed to date between Federal and State judiciaries could be swept up on a tide of confusion if this position is accepted.

We do not wish to be understood to say that all acts and services performed today before administrative agencies do constitute the practice of law. It is for the courts to determine whether the nature of the services, each considered individually, do in fact constitute the practice of law, and to prohibit their performance by those persons not admitted to the practice of law. Undoubtedly, there are many administrative and ministerial functions which a lay person might perform for others within administrative agencies. Their definition is not before this Court in this case.

V

CONCLUSION

Law is the foundation of social order. If law is to be meaningful, it necessarily comprehends a system for its administration. The need in our social structure for a sound judicial system is identical with the need for a sound, responsible bar. The need for the one increases with the need for the other, and as a result of the same forces. Every increase in the complexity of our social and economic structure increases our individual and group reliance on our judicial system. The

courts could not, if they wished, discharge this responsibility alone. The courts must and will require of their bars that they sustain their full share of this obligation. Courts, which bear the primary responsibility for the functioning of our judicial system, must discharge this responsibility in part by calling upon the bar to meet its challenge, and in another part by protecting the integrity of the entire judicial system from outside destruction.

History tells us that if we are to maintain the freedom of individual action, an expression which has been the hallmark of our society and to which this Court has firmly dedicated so much of its concern, we shall need a continuing strengthening of our judicial system within all of its components.

We respectfully submit that when the nature of the services, which were considered in the decision by the Supreme Court of Florida, are analyzed, it is manifest that the decision is right. In those areas where Federal power exists over the practice of law, this power resides in the judiciary, not in Congress, and it must exist coextensively with the police power of the States.

The decision below does not become wrong because it was rendered by a state court rather than a federal court.

Respectfully submitted,

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Supreme Court of the United States

OCTOBER TERM, 1962

No. 322

ALEXANDER T. SPERRY, *Petitioner*

v.

STATE OF FLORIDA, EX REL. THE FLORIDA BAR

On Writ of Certiorari To The
Supreme Court of the State of Florida

BRIEF OF THE AMERICAN BAR ASSOCIATION AS AMICUS CURIAE

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Supreme Court of the United States

OCTOBER TERM, 1962

No. 322

ALEXANDER T. SPERRY, *Petitioner*

v.

STATE OF FLORIDA, EX REL. THE FLORIDA BAR

On Writ of Certiorari To The Supreme Court of the State of Florida

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BRIEF OF THE AMERICAN BAR ASSOCIATION AS AMICUS CURIAE

This brief is filed by the American Bar Association as *amicus curiae*, pursuant to the written consent of Petitioner and Respondent which is on file with the Court.

OPINION BELOW

The opinion of the Supreme Court of the State of Florida (R. 51-68) is reported at 140 So. 2d 587.

QUESTIONS PRESENTED

In 1928 Petitioner, a non-lawyer, was "recognized" by the Commissioner of Patents as "a person representing applicants or other parties before his office."

In 1958, after residing in several other jurisdictions, he moved to Tampa, Florida. There he proceeded to "hold himself out to the public as authorized to engage in the practice of law in the patent field" (R. 2), to give opinions as to patentability and infringement of patents, and to prepare patent applications and licenses, acts in Florida which, the Court below held, constitute the practice of law. Petitioner now claims that, by virtue of having been "recognized" by the Patent Office in Washington, D. C., he has a federal license to practice patent and trademark law in Florida, and to perform nearly all the acts enjoined by the Florida Supreme Court.

The questions presented are:

1. Did Congress attempt to authorize the Commissioner of Patents to authorize the Petitioner to practice patent and trademark law in Florida by virtue of the provisions of section 487 of the Revised Statutes as amended by section 3 of the Act of February 18, 1922, 42 Stat. 390, which authorized the Commissioner to prescribe rules "governing the recognition of agents, attorneys or other persons representing applicants or other parties . . . in the presentation or prosecution of their applications or other business before" the Patent Office, and to "suspend or exclude . . . from further practice before his office any person, agent, or attorney shown" not to meet specified standards of conduct?

2. Did the Commissioner of Patents attempt to authorize Petitioner to practice law relating to patents and trademarks in Florida by virtue of the entry in 1928 of Petitioner's name on a "register" in the Patent Office in Washington, D. C., of "all persons entitled to

represent applicants before the Patent Office in the presentation and prosecution of applicants for patents"?

3. If the statute and action of the Commissioner could be construed to amount to an attempted authorization to Petitioner to practice law relating to patents and trademarks in Florida, would the statute then be constitutional as a proper delegation of legislative power, in view of the fact that (a) the subject of authorization of the practice of law is not even mentioned as the subject of delegation, and (b) there is a complete absence of standards in the statute as to when, how or whether the Commissioner should authorize anyone to practice law?

4. If the statute and action of the Commissioner could be construed to amount to an attempted authorization to Petitioner to practice patent law in Florida, would the statute then be unconstitutional as an invasion of the province of the judiciary under Article III of the Constitution, the judiciary alone having the power to admit persons to the bar and to disbar, and to define what constitutes the practice of law and to exclude unauthorized persons therefrom?

5. If the statute and action of the Commissioner could be construed to authorize Petitioner to practice law relating to patents in Florida, and the obstacles stated in questions 3 and 4 could be overcome, then should not the statute be accommodated to the decision below, inasmuch as the statute bears no real relation to, and the decision below does not interfere with, the only power concerning patents granted by the States to the Federal government—to protect the exclusive right to a discovery (for "it is only the right to the invention or discovery, the incorporeal right, which the state cannot interfere with" *Webber* v. *Virginia* (1881), 103 U.S. 344, 347, 26 L.Ed. 565)?

CONSTITUTIONAL AND STATUTORY PROVISIONS AND ADMINISTRATIVE REGULATIONS

Section 23, Article V, of the Constitution of the State of Florida, and Section 2, Article II of the Integration Rule of the Supreme Court of Florida, relating to the control of the practice of law in Florida by the Florida Supreme Court, are set forth in Appendix A.

Also set forth in Appendix A are the statutes relating to the "recognition" of persons before the Patent Office, and the regulations of the Commissioner of Patents relating thereto.

THE INTEREST OF THE AMERICAN BAR ASSOCIATION

The American Bar Association, with over 100,000 members throughout the United States, is keenly interested, and has made a very substantial investment of time, energy and money in two related subjects affecting the public interest. These subjects are (1) raising the standards of legal education and the legal profession, and (2) protecting the public from the injury which results when unqualified persons undertake to practice law. The Association has been particularly concerned about this latter subject since 1930 when, as a result of pressure from outside the Association, what is now known as the Standing Committee on Unauthorized Practice of Law of the Association was established. 59 ABA 154.

Unauthorized practice falls into two basic areas, the practice of law by unqualified persons (1) inside the courtroom and (2) outside the courtroom. The first area is no longer a serious problem. But the industrial revolution following the Civil War generated a tremendous increase in the practice of law by unqualified persons *outside* the courtroom, and this is the main

problem area of unauthorized practice today—of which the Petitioner's acts are a symptom.

Since 1930, the movement to prohibit unauthorized practice outside the courtroom has been an accelerating one. The Petitioner, however, seeks to reverse this trend, indeed, to increase the practice of law outside the courtroom by persons not members of the Bar. "Recognized" by the Patent Office in 1928, and moving to Florida in 1958, he now claims that Patent Office "recognition" gives him a Federal license to hold himself out to the citizens of Florida as entitled to practice law relating to patents and trademarks in the State of Florida, even though enjoined by the highest court of that State from doing so without becoming a member of the Florida bar.

Law has traditionally been regarded as a seamless web. That is, each branch and field of the law are connected together by common threads and principles, and have certain relationships to each other. For this reason legal training has always consisted of a general legal education; and from the standpoint of the public, one cannot safely or competently advise in any special field of the law without a knowledge of the relationship of that field to the fabric of the law as a whole.

But Petitioner does not have the qualifications of a lawyer. Accordingly, if he should be permitted to hold himself out to the public as entitled to practice law relating to patents and trademarks, and practice patent and trademark law in Florida, the public would not have the same protection that it would be afforded by a patent lawyer's services. The public would be injured; the practice of law by unqualified persons would be encouraged; and the very substantial expendi-

tures and efforts over the years by this Association to raise the standards of legal education and the quality of legal services rendered to the public would be set back.

In addition, the administration of justice in Florida is at stake. The relief which Petitioner seeks, "to permit one not a lawyer to be engaged in the business of handling legal matters for others," would "thwart the control of the Courts over the practice of law, and irreparably impair the sound administration of justice." Chief Justice Vanderbilt in *Stack* v. *P. G. Garage, Inc.* (1951), 7 N.J. 118, 80 A.2d 545, 547. And see *Theard* v. *United States* (1957), 354 U.S. 278, 1 L. Ed. 2d 1342, 77 S.Ct. 1274.

THE INTEREST OF THE UNITED STATES

In his brief for the United States as Amicus Curiae, the Solicitor General states that "The decision below threatens to interfere with the operation of various departments and agencies of the United States." (Brief, p. 2) We submit that the decision below does not have any such effect. Although the Solicitor General states that the decision below "prohibits such Patent Office practice" (Brief, p. 2) we do not believe this fairly describes the decision below. The decision below expressly disclaimed any intention to interfere with practice before the Patent Office.

In addition, the Solicitor General states, by reference to a Patent Office publication, that "of the 7,544 persons registered to practice before it, 1,801 were not members of any bar and 1,687 were not members of the bar of the State in which they were practicing. Thus 3,488 practitioners would be immediately affected by the ruling in the instant case and others like it, if it

were to be followed. See *Petition of Kearney*, 63 So. 2d 630 (Fla); *Cf State of Wisconsin* v. *Keller*, 16 Wis. 2d 377, 114 N.W. 2d 796, 801." (Brief R. 3).

The statements in the foregoing paragraph are in error for the following reasons:

1. It is common knowledge that, by virtue of the location of the Patent Office, there happens to be a concentration in the District of Columbia of patent practitioners who are not members of the District of Columbia Bar. And Rule 96 of the Rules of the U. S. District Court for the District of Columbia provides specifically that the prohibition against the practice of law by persons not members of the D.C. Bar "shall not apply to practice before other federal Courts or executive departments, Government boards, commissions, or agencies, or to the holding out of the right to practice before such other federal Courts or executive departments or Government boards, commissions or agencies." Thus this Rule permits persons not members of the D.C. Bar to engage, in the District of Columbia, in so-called "administrative practice," including practice before the Patent Office, without being members of the D.C. Bar. Accordingly, the decision below could not presently have the slightest effect on the group of non-lawyer practitioners before the Patent Office located in the District of Columbia.

2. The statement that non-lawyer patent practitioners, not located in Florida, would be "immediately affected by the ruling in the instant case and others like it, if it were followed," is not entirely clear. No non-lawyer practitioner in any state other than Florida would be affected in the slightest unless the Supreme Court of the particular state, after the institution and

conclusion of the necessary litigation, should render a decision similar to the decision below. Even then, such a decision would not interfere with the non-lawyer's right to practice before the Patent Office itself. Moreover, it is noteworthy that over 10 years elapsed between the decision in a very similar case, *Chicago Bar Association* v. *Kellogg* (1949), 338 Ill. App. 618, 88 N.E. 2d 519, and the institution of the instant lawsuit. In addition, the instant lawsuit would never have been brought had not the petitioner moved to Florida in 1958 and then proceeded to hold himself out to the public as entitled to practice law in the patent field in Florida.

3. Finally, as set forth *post*, pp. 16-19, with respect to similar representations made in Petitioner's brief, even if the Florida decision were to be followed in all of the states, the number of practitioners who would be affected—those holding themselves out to practice patent law—would be only a minute fraction of the 3,488 practitioners which the United States claims would be affected.

The Solicitor General also states (p. 3) that "It is worth noting that some of these registered lay practitioners are presently employed in the 'patent sections' of the several Military Services and that they perform duties within the territorial jurisdiction of the several states. If the ruling here reaches them, the national defense establishment will be affected." We do not believe the concern expressed for the "national defense establishment" has substance. So far as we know, no one has ever attempted to prevent an official who is in the Executive Branch of the Government and in the flow of power of the President under Article II of the

Constitution, from performing the duties of his office, on the ground that he was engaged in the unauthorized practice of law. Moreover, no such government official is involved in this case. The statement that "If the ruling here reaches them" is outside the issues, unrealistic conjecture.

STATEMENT OF THE CASE

1. Petitioner's Acts in Florida

Petitioner began work in the field of patents as a patent searcher (R. 8). On January 12, 1928 (R. 8), his name was entered on the "Register" of the Patent Office as a "Patent Attorney," thus becoming "recognized"[1] by the Patent Office under the applicable statutory provision, as a "person representing applicants or other parties before his office". At that time, Petitioner listed himself on the records of the Patent Office as a resident of New York City. The Patent Office records also show that he moved to Washington, D. C., in 1944, and that in 1951 he shifted his residence to California.

In 1958, according to the same records of the Patent Office, Petitioner moved to Florida. He is not a lawyer; and he never became a member of the Florida Bar. Nevertheless, he proceeded to establish an office on the 8th Floor of the First National Bank Building in Tampa, Florida, with "Patent Attorney" advertised on the entrance door of his office. In addition, he caused himself to be listed in the August 1960 Yellow

[1] At that time a candidate for such "recognition" did not have to taken an examination of any kind. Rather he was registered on the basis of affidavits as to his proficiency from those with whom he had worked. For Commissioner Robertson's statement in 1933 of the shortcoming of that practice, see Appendix C, p. C-6.

and reputation and are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office.

§ 32. The Commissioner may, after notice and opportunity for a hearing, suspend or exclude, either generally or in any particular case, from further practice before the Patent Office, any person, agent, or attorney shown to be incompetent or disreputable, or guilty of gross misconduct, or who does not comply with the regulations established under section 31 of this title, or who shall, by word, circular, letter, or advertising, with intent to defraud in any manner, deceive, mislead, or threaten any applicant or prospective applicant, or other person having immediate or prospective business before the Office. The reasons for any such suspension or exclusion shall be duly recorded. The United States District Court for the District of Columbia, under such conditions and upon such proceedings as it by its rules determines, may review the action of the Commissioner upon the petition of the person so refused recognition or so suspended or excluded.

§ 33. Whoever, not being recognized to practice before the Patent Office, holds himself out or permits himself to be held out as so recognized, or as being qualified to prepare or prosecute applications for patent, shall be fined not more that $1,000 for each offense.

Rules of Practice of the United States Patent Office in Patent Cases, 24 F.R. 10332, 37 CFR §§ 1.31, 1.341-1.348.

§ 1.31. Applicants may be represented by an attorney or agent. An applicant for patent may file and prosecute

his own case, or he may be represented by an attorney or agent authorized to practice before the Patent Office in patent cases. The Patent Office cannot aid in the selection of an attorney or agent.

§ 1.341. Registration of attorneys and agents. A register of attorneys and a register of agents are kept in the Patent Office on which are entered the names of all persons recognized as entitled to represent applicants before the Patent Office in the preparation and prosecution of applications for patent. Registration in the Patent Office under the provisions of these rules shall only entitle the persons registered to practice before the Patent Office.

(a) *Attorneys at law.* Any attorney at law in good standing admitted to practice before any United States Court or the highest court of any State or Territory of the United States who fulfills the requirements and complies with the provisions of these rules may be admitted to practice before the Patent Office and have his name entered on the register of attorneys.

(b) *Agents.* Any citizen of the United States not an attorney at law who fulfills the requirements and complies with the provision of these rules may be admitted to practice before the Patent Office and have his name entered on the register of agents.

(c) *Requirements for registration.* No person will be admitted to practice and registered unless he shall apply to the Commissioner of Patents in writing on a prescribed form supplied by the Commissioner and furnish all requested information and material; and shall establish to the satisfaction of the Commissioner that he is of good moral character and of good repute and possessed of the

legal and scientific and technical qualifications necessary to enable him to render applicants for patents valuable service, and is otherwise competent to advise and assist them in the presentation and prosecution of their applications before the Patent Office. In order that the Commissioner may determine whether a person seeking to have his name placed upon either of the registers has the qualifications specified, satisfactory proof of good moral character and repute, and of sufficient basic training in scientific and technical matters must be submitted and an examination which is held from time to time must be taken and passed. The taking of an examination may be waived in the case of any person who has actively served for four years in the examining corps of the Patent Office.

(d) *Registration of firms.* Any firm, the individual members of which are each registered on the register of attorneys, may have its name entered upon the register of attorneys. Any firm, one of the individual members of which is registered on the register of agents and each of the remaining individual members are registered either on the register of attorneys or the register of agents, may have its name entered on the register of agents. If the membership of the firm is changed, application must be made for registration of the firm as changed.

(e) *Foreign patent attorneys and agents.* Any foreign patent attorney or agent not a resident of the United States who shall file proof to the satisfaction of the Commissioner that he is registered and in good standing before the patent office of the country in which he resides and practices, and is possessed of the qualifications stated

in paragraph (c) of this rule, may be registered on the register of agents as entitled to represent applicants located in such country before the United States Patent Office in the presentation and prosecution of applications: *Provided*, That the patent office of such country allows substantially reciprocal privileges to those admitted to practice before the United States Patent Office. Such registration shall continue only during the period that the conditions specified obtain.

(f) *Government employees.* Officers and employees of the United States who are disqualified by statute (18 U.S.C. 281) from practicing as attorneys or agents in proceedings or other matters before Government departments or agencies, may not be registered, and if any registered attorney or agent becomes such an officer or employee, his name on the register shall be endorsed as inactive during the period of such employment, but officers or employees whose official duties require the preparation and prosecution of applications for patent may be registered (on compliance with these rules) or recognized to practice, to the extent necessary to carry out their official duties.

(g) *Former examiners.* No person who has served in the examining corps of the Patent Office will be registered after termination of his services, nor, if registered before such service, be reinstated, unless he undertakes (1) not to prosecute or aid in any manner in the prosecution of any application pending in any examining division in which he served, on the date he left said division; and (2) not to prepare or prosecute nor to assist in any manner in the preparation of prosecution of any appli-

cation of another filed within two years after the date he left such division, and assigned to such division, without the specific authorization of the Commissioner. Associated and related classes in other divisions may be required to be included in the undertaking or designated classes may be excluded. In case application for registration or reinstatement is made after resignation from the Office, the applicant will not be registered, or reinstated, if he has prepared or prosecuted, or assisted in the preparation or prosecution of any such application as indicated in this paragraph.

(h) *Oath and registration fee.* Before his name may be entered on the register of attorneys or on the register of agents, every applicant for registration must, after his application is approved, subscribe and swear to an oath prescribed by the Commissioner of Patents and pay the prescribed registration fee. (See § 1.21.)

(i) *Committee on Enrollment.* The Commissioner may establish a Committee on Enrollment to receive and act upon applications for registration to practice before the Patent Office, to conduct and supervise the examinations provided for in paragraph (c) of this rule, to maintain the registers and to perform such other duties in connection with enrollment and recognition of attorneys and agents as may be necessary; or such functions may be performed by designated officials of the Patent Office. Any action of such committee or official may be reviewed by the Commissioner.

§ 1.342. Limited recognition. Any person not registered and not entitled to be recognized under § 1.341 as an attorney or agent to represent applicants generally may,

upon a showing of circumstances which render it necessary or justifiable, be recognized by the Commissioner to prosecute as attorney or agent a specified application or applications, but this limited recognition shall not extend further than the application or applications specified.

§ 1.343. Persons not registered or recognized. No person or firm not registered or specifically recognized as provided in § 1.342 will be permitted to prosecute applications of others before the Patent Office.

§ 1.344. Professional conduct. Attorneys and agents appearing before the Patent Office must conform to the standards of ethical and professional conduct generally applicable to attorneys before the courts of the United States.

§ 1.345. Advertising. (a) The use of advertising, circulars, letters, cards, and similar material to solicit patent business, directly or indirectly, is forbidden as unprofessional conduct, and any person engaging in such solicitation, or associated with or employed by others who so solicit, shall be refused recognition to practice before the Patent Office or may be suspended, excluded or disbarred from further practice.

(b) The use of simple professional letterheards, calling cards, or office signs, simple announcements necessitated by opening an office, change of association, or change of address, distributed to clients and friends, and insertion of listings in common form (not display) in a classified telephone or city directory, and listings and professional cards with biographical data in standard professional directories shall not be considered a violation of this rule.

(c) No agent shall, in any material specified in paragraph (b) of this section or in papers filed in the Patent Office, represent himself to be an attorney, solicitor or lawyer.

§ 1.346. **Signature and certificate of attorney.** Every paper filed by an attorney or agent representing an applicant or party to a proceeding in the Patent Office must bear the signature of such attorney or agent, except papers which are required to be signed by the applicant or party in person (such as the application itself and affidavits required of applicants). The signature of an attorney or agent to a paper filed by him, or the filing or presentation of any paper by him, constitutes a certificate that the paper has been read; that its filing is authorized; that to the best of his knowledge, information, and belief there is good ground to support it; and that it is not interposed for delay. When an applicant or party is represented by a registered firm, such papers must carry the signature of the firm, or the signature of an individual member of the firm or an individual registered attorney or agent employed by the firm and duly authorized to sign on behalf of the firm in addition to the firm name, and the certification constituted by the signing or presentation of the paper shall be a certification by and on behalf of the firm and by the individual.

§ 1.347. **Removing names from registers.** Attorneys, agents, and firms, registered to practice before the Patent Office, should notify the Office of any change of address for entry on the register, by letter separate from any notice of change of address filed in individual applications. The Office may address a letter to any person or

firm on the registers, at the address of which separate notice for the register was last received, for the purpose of ascertaining whether such person or firm desires to remain on the register. The name of any person or firm failing to reply and give the information requested within a time limit specified will be removed from the register, and the names so removed published in the Official Gazette. Any name so removed may be reinstated, either on the register of attorneys or the register of agents, as may be appropriate.

§ 1.348 Suspension or disbarment proceedings. Except as otherwise provided, proceedings for suspension, disbarment, or exclusion from practice are before a Commissioner.

(a) *Investigating and prosecuting officer.* The duties of investigation, preparing charges, collecting and presenting testimony, and presenting a case for suspension, exclusion from practice or disbarment shall be performed by the Solicitor of the Patent Office or, at his direction, by a designated law examiner or other person, and neither the Solicitor nor such law examiner or other person shall participate in any manner in the decision of the case. If, upon investigation of a complaint or other information concerning an attorney or agent, it shall appear to the Solicitor that grounds for suspension, exclusion from practice, or disbarment exist, he shall prepare and forward the necessary notice and statement.

(b) *Notice of proceedings.* Proceedings for suspension or disbarment shall be instituted by the Solicitor by mailing to, or otherwise serving on, the respondent a notice of such proceeding with a statement of the charges against

him, at the same time forwarding a copy to the Commissioner. It shall be the duty of the respondent to answer the charges as specified in paragraph (c) of this rule.

(c) *Answer.* The respondent's answer shall be filed in writing with the Commissioner within thirty days from the time the notice is served on the respondent, or within such extension of time as may be allowed by the Commissioner for good cause shown. The answer shall be under oath. Failure to answer within the time allowed will be taken as an admission of the charges. The respondent in his answer should specifically admit or deny every material allegation of fact in the statement of charges; every allegation not denied shall be deemed admitted, unless the respondent states that he has no knowledge thereof sufficient to form a belief, which statement shall be considered a denial. Any special matters of defense shall be stated affirmatively in the answer. False statements in the answer may be made the basis of supplemental charges.

(d) *Hearing.* (1) Unless the Commissioner finds the answer sufficient to dispose of the charges, he will set the case for hearing before him, notifying the respondent and the Solicitor of the place, day and time of commencement of the hearing. Evidence as to the matters in issue may be submitted at the hearing, the testimony of witnesses being presented orally, under oath and reported.

(2) The hearing may be advanced and continued by the Commissioner, as far as may be deemed convenient and proper.

(3) Depositions for use at the hearing in lieu of personal appearance of witnesses may be taken by either

the Solicitor or the respondent on application to and with the written consent of the Commissioner within such times and under such conditions as the Commissioner may prescribe.

(e) *Hearing officer.* The Commissioner may, in his discretion, delegate the conduct of the hearing to a hearing or trial examiner who shall be the presiding officer and who shall make a recommended decision.

(f) *Administrative Procedure Act.* Proceedings shall be governed, in matters not specifically set forth herein, by the provisions of the Administrative Procedure Act, 60 Stat. 237; 5 U.S.C. 1001-1011, which may be applicable.

Section 2, Article 2, of the Integration Rule of The Florida Bar, 31 F.S.A.

"No person shall engage in any way in the practice of law in this state unless such person is an active member of The Florida Bar, in good standing, except that a practicing attorney of another state, in good standing, who has professional business in a court of record of this state may, upon motion, be permitted to practice for the purpose of such business only, when it is made to appear that he has associated and appearing with him in such business an active member of The Florida Bar."

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No. 322

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OCTOBER TERM, 1962

ALEXANDER T. SPERRY, *Petitioner,*

v.

STATE OF FLORIDA, ex rel., THE FLORIDA BAR,
Respondent.

On Writ of Certiorari to the Supreme Court of Florida

BRIEF OF AMERICAN ASSOCIATION OF REGISTERED PATENT ATTORNEYS AND AGENTS, AMICUS CURIAE

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PRESS OF BYRON S. ADAMS, WASHINGTON, D. C.

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1962

No. 322

ALEXANDER T. SPERRY, *Petitioner,*

v.

STATE OF FLORIDA, ex rel., THE FLORIDA BAR,
Respondent.

On Writ of Certiorari to the Supreme Court of Florida

BRIEF OF AMERICAN ASSOCIATION OF REGISTERED PATENT ATTORNEYS AND AGENTS, AMICUS CURIAE

The petitioner and the respondent having consented in writing, the American Association of Registered Patent Attorneys and Agents files this brief as amicus curiae.

INTEREST OF AMICUS CURIAE

The American Association of Registered Patent Attorneys and Agents is an association of qualified and duly registered patent attorneys and agents who are not members of the bar. The purposes of the Associa-

tion are to maintain high professional standards among patent practitioners, and to protect their professional rights and privileges. The right of the members of the Association to continue their practice is threatened by the decision of the Supreme Court of Florida, which denies to similarly qualified individuals, not members of the Florida bar, the right to carry on such practice in Florida. It is plain, therefore, that the amicus curiae has a vital interest in the case at bar.

ARGUMENT

The amicus curiae supports the position of the petitioner and endorses the arguments advanced in the petitioner's brief. Without repeating these arguments, the amicus curiae wishes to add only a few words.

I

By its judgment, the Supreme Court of Florida has forbidden the petitioner to perform in Florida the very acts and functions which under an Act of Congress and valid rules of the Patent Office he has the right to perform. The lower court has thus attempted to nullify a law of Congress and destroy the powers conferred upon Congress by the Constitution, so far as they relate to a resident of Florida. We submit that the attempt must fail.

While disclaiming any intention to reflect upon the competence or integrity of the petitioner, the court below undertakes to justify the prohibition imposed upon him as a reasonable exercise of the police power of the state, to protect the public against incompetency and dishonesty on the part of patent practitioners. (R. 65-67) The court's argument does not withstand analysis; on the contrary, it is plain that the court's

injunction is not a reasonable exercise of the power of the state.

The petitioner in his brief has set out the relevant provisions of the Patent Act of 1952 (35 USC Sec. 31-33) and of the Rules of Practice of the United States Patent Office in Patent Cases (37 C.F.R. Sec. 1.31, 1.341-1.348). From the statute and the regulations, it will be seen that

(1) Agents—that is, nonlawyers—are specifically authorized to represent applicants before the Patent Office in the preparation and prosecution of applications for patent (35 USC Sec. 31; 37 C.F.R. Sec. 1.31).

(2) No agent is admitted to practice unless he establishes that he is of good moral character and repute, possesses the necessary legal, scientific, and technical qualifications, and is otherwise competent. An applicant for admission to practice must pass an examination, or must show that he has actively served for four years in the examining corps of the Patent Office (37 C.F.R. Sec. 1.341(c)). It may be noted parenthetically that patent examiners need not be members of the bar or trained in the law (See U.S. Civil Service Commission Announcement No. 181-B, issued February 10, 1959, revised October 1961).

(3) Agents appearing before the Patent Office must conform to the standards of ethical and professional conduct generally applicable to attorneys before the courts of the United States. They are specifically forbidden the use of any advertising to solicit patent business (37 C.F.R. Sec. 1.344, 1.345; See *Evans* v. *Watson*, 106 U.S. App. D.C. 108, 269 F. 2d 775, cert. den. 361 U.S. 900 (1959)).

(4) The regulations set up elaborate disciplinary procedures, providing for the investigation of complaints against patent practitioners, the preparation and service of charges, written answers to charges, hearings, and the suspension, disbarment or exclusion from practice of any respondent found guilty of misconduct (37 C.F.R. Sec. 1.348).

In the light of the elaborate and exhaustive regulatory structure set up by the Patent Act and the Rules of the Patent Office, it cannot be successfully argued that any additional or supplementary regulation by the state is necessary to protect the public. On the contrary, it is clear that the Federal government has completely occupied and pre-empted the field and that any additional regulation by the state is unnecessary and unreasonable.

It is difficult to understand, moreover, how one could demonstrate his competence to present and prosecute a patent application by passing a Florida state bar examination. Surely, a knowledge of the law of torts, domestic relations, criminal law, wills, real property, and the other subjects covered by a bar examination has no relevance to proceedings in the Patent Office. We venture to suggest also that the bar examiners of the State of Florida would find themselves quite incompetent and unable to evaluate the qualifications of a patent agent in the field of chemistry, physics, electronics, engineering or mechanical drawing.

The case of *Allen* v. *Riley*, 203 U.S. 347 (1906) is, we think, instructive and helpful in the consideration of the problem before the Court. In that case, the Court sustained a Kansas statute requiring one selling a patent right to file with the clerk of the district court

of his county authenticated copies of the letters patent together with an affidavit attesting the validity of the transaction and setting out other pertinent information. It was contended that the statute was unconstitutional in view of an act of Congress providing that patents should be assignable by an instrument in writing, to be recorded in the Patent Office. In upholding the state law, this Court said (203 U.S. 355):

> "We think the state has the power (certainly until Congress legislates upon the subject) with regard to the provision which shall accompany the sale or assignment of rights arising under a patent, to make reasonable regulations concerning the subject, calculated to protect its citizens from fraud. And we think Congress has not so legislated by the provisions regarding an assignment contained in the act referred to.
>
> * * *
>
> "To uphold this kind of a statute is by no means to authorize any state to impose terms which, possibly, in the language of Mr. Justice Davis, in Ex parte Robinson, 2 Biss. 309, Fed. Cas. No. 11,932, 'would result in a prohibition of the sale of this species of property within its borders, and in this way nullify the laws of Congress which regulate its transfer, and destroy the power conferred upon Congress by the Constitution.' Such a statute would not be a reasonable exercise of the powers of the state."

In the case at bar, as we have seen, Congress has not only legislated upon the subject of practice before the Patent Office, but has completely pre-empted that field. The Florida court has attempted to nullify the law of Congress and destroy the power of Congress; and the decree of the Florida court is not a reasonable exercise of state power.

The doctrine which should govern the determination of this case is, we submit, well stated in the opinion of Vice-Chancellor Bigelow in *Auerbacher* v. *Wood*, 139 N.J. Eq. 599, 53 A. 2d 800, aff'd 142 N.J. Eq. 484 (1948). That case was a suit to enjoin the alleged unlawful practice of law by an industrial relations consultant who was not a member of the bar. In particular, the matter involved the defendant's practice before the National Labor Relations Board. In holding for the defendant, Vice-Chancellor Bigelow said (139 N.J. Eq. at 604):

> "Defendant also offers to represent the employer before administrative agencies of the federal government, especially before trial examiners of the National Labor Relations Board. An agency of the federal government, acting by virtue of an authority granted by the Congress, may regulate the representations of parties before such agency. *In re Lyon (Mass.), 16 N.E. Rep. (2d) 74.* The State of New Jersey is without power to interfere with such determination or to forbid representation before the agency by one whom the agency admits. The rules of the National Labor Relations Board give to a party the right to appear 'in person, or by counsel, or by other representative.' *Rules and Regulations, September 11, 1946,* § 203.31. 'Counsel' here means a licensed attorney, and 'other representative' one not a lawyer. In this phase of his work, defendant may lawfully do whatever the Labor Board allows, even arguing questions purely legal."

We may add that the right to practice before the Patent Office necessarily carries with it as a corollary the right to hold oneself out as qualified so to do. The Patent Act plainly recognizes the right of qualified patent practitioners to hold themselves out as so quali-

fied, by providing a criminal penalty for one who "not being recognized to practice before the Patent Office holds himself out or permits himself to be held out as so recognized." (35 U.S.C. Sec. 33). Yet the decree of the Supreme Court of Florida enjoins the petitioner from "holding himself out, in this state, as qualified to prepare and prosecute applications for letters patent, and amendments thereto". At the same time, the court disclaims any intention "to affect any rights which the respondent has to practice before the Patent Office when done outside this state." We submit that the Florida court has plainly overreached itself.

If the decision of the Florida court is sustained, rights created by Federal law will be at the mercy of any state that happens to be the geographical base from which they are exercised. As other states adopt restrictive measures either by legislation or by court decree, the District of Columbia may ultimately become the only jurisdiction in which a patent agent can practice his profession. That this foreboding is not chimerical is evidenced by a recent act of the Virginia Assembly, Acts of Assembly Va. 1962, Ch. 389, approved March 30, 1962 (S. 276). This act provides in part:

> "§ 1. So long as the U. S. Patent Office or any part or division thereof is located in Virginia, an attorney recognized to practice before the U. S. Patent Office in patent or trademark cases shall be authorized to practice patent or trademark law in Virginia without being licensed or authorized as an attorney at law in Virginia by the Supreme Court of Appeals or by the State Board of Bar Examiners, and without becoming a member of the Virginia State Bar.
>
> "§ 2. For the purposes of this act 'an attorney recognized to practice before the U. S. Patent

> Office in patent or trademark cases' is defined as any *one who is duly authorized to practice law in any state or territory of the United States, or the District of Columbia and who also is entitled under the rules of the U. S. Patent Office to represent another in a patent or a trademark case;* and to 'practice patent or trademark law' is defined to mean to perform all necessary professional services with respect to patent or trademark matters, concerning which being recognized to practice before the U. S. Patent Office for the performance of such services is required, and includes the preparation and filing of copyright applications and assignments thereof in the Copyright Office of the Library of Congress." (Emphasis added)

It is apparent that the Virginia Assembly, perhaps following the lead of Florida, has undertaken to impose state requirements and qualifications upon patent practitioners, in addition to those imposed by the Act of Congress and Rules of the Patent Office. One may conjecture that if the theory of such legislation is sustained the Virginia Assembly may well carry the principle to its logical conclusion by requiring lawyers at the Pentagon or at the headquarters of the Central Intelligence Agency to become members of the Virginia Bar.

We submit that the decree of the Supreme Court of Florida is an unconstitutional attempt to exercise control in a field pre-empted by Federal law, and an unreasonable extension of the police power of the state.

II

The amicus curiae challenges the conclusion of the Supreme Court of Florida that the preparation and prosecution of patent applications constitute the practice of law.

The preparation and prosecution of applications for patents require a high degree of technical training and skill but do not require legal training. What is necessary is a thorough knowledge of physics, mechanics, electronics, chemistry and kindred subjects. The work of preparing and prosecuting an application, in short, is the kind of work that may be and usually is done by a technician, rather than a lawyer. To be sure, matters and controversies arising after the issuance of a patent may well require the special skill and training of a lawyer; but this has nothing to do with the proceedings in the Patent Office prior to the issuance of a patent.

The amicus curiae recognizes that familiarity with the patent statutes and their interpretation is a prerequisite for competency in the preparation and prosecution of patent applications, even as familiarity with the pertinent city ordinances is necessary for a traffic patrolman. It may not be amiss to point out, however, that study of patent statutes is rarely, if ever, included in the regular curriculum of a law school nor is the subject commonly touched upon in the questions on a bar examination. Such matters, however, are the subject of a rigid examination to which candidates for admission to practice before the Patent Office, lawyers and nonlawyers alike, must submit before being accepted as qualified to represent applicants.

The Court below relies heavily upon the argument that a patent amounts to a contract between the inventor and the government, granting the patentee the exclusive right to vend and use his invention for a period of years. The Court reasons that since a contract is involved, the patent applicant must be represented by one having legal training and skill (R. 59-62). It should be pointed

out, however, that the terms of the grant of patent rights by the government are embodied in a standard printed form, in which only the name and address of the inventor are inserted by a a clerical employee of the Patent Office. The metes and bounds of the grant are, of course, defined by the claims and specifications of the patent application. The delineation of these metes and bounds—that is the preparation of the claims and specifications—does not require the skill and training of a lawyer, but involves rather the knowledge and skill of a scientist, an engineer, a mechanic, or a draftsman. By way of illustration, a patent may be compared with a grant of land by a common-law deed. The preparation of a deed may require a lawyer's knowledge, so that the desired estate may be conveyed, but the metes and bounds of the property to be conveyed are ascertained and stated by a surveyor skilled in his art, and not by a lawyer. So in the case of a patent, the terms of the grant from the government to the inventor are expressed in a standard printed form; the metes and bounds of the grant are set out in the claims and specifications prepared by a technician, and not necessarily by a lawyer.

The amicus curiae fully subscribes to the language quoted in the opinion below from *Topliff* v. *Topliff*, (145 U.S. 156, 1892), to the effect that the specifications and claims of a patent constitute a most difficult legal instrument to draw and that great harm may befall an inventor who entrusts their prepartion to a person lacking the requisite skill. It does not follow, however, that the type of skill required can be gained only or principally by the successful completion of a standard law course or that the needed abilities are demonstrated by a passing mark on a state bar exami-

nation. In fact, the contrary is true; it is no slur on the legal profession to point out that the great majority of its members lack the training in the natural sciences that is necessary for an understanding, *a fortiori* a drafting, of a patent specification or claim for any but the simplest invention.

Only slightly more than half the number of registered practitioners before the United States Patent Office (3900 out of 6777 in the year 1960) are holders of both legal and technical degrees; not all of them are members of the bar in the state in which they practice, and some (248 in 1960) are not admitted to any bar. The remainder is divided into practitioners without technical degrees (1544) and practictioners without legal degrees (1553).[1] Almost all of them, with the exception of those registered as patent attorneys prior to the year 1934 when qualifying examinations were introduced by the Patent Office, had to establish to the Commissioner's satisfaction their ability to represent inventors; there is no evidence that one type of practitioner, taken as a class, is less competent than any other in this respect. It is important to note also that examiners in the Patent Office, who pass initially on all applications for patents (See 37 C.F.R. 1.101, et seq), need not be lawyers and in most cases are not lawyers. They are required to have a science or engineering degree on a college level or its equivalent in experience, but there is no requirement that they be trained in the law. (See U. S. Civil Service Commission Announcement No. 181-B, issued February 10, 1959, revised October 1961, announcing examination for Patent Examiner).

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[1] Letter, June 1, 1962, from C. W. Moore, Solicitor, United States Patent Office, to Alexander T. Sperry.

The Florida decision here under review professes to have the inventor's interest at heart, yet if allowed to become the law of the land it would have the opposite effect. Persons of appropriate scientific and technical background would be discouraged or disqualified from taking the Patent Office examination, and fewer candidates for admission would be able to pass the test under present standards. The Patent Office would then be tempted to lower its standards and to certify "patent lawyers" of limited engineering knowledge who in turn would have to delegate their work to faceless specialists. Such a separation of responsibility and competence, we submit, should not be encouraged, much less tolerated.

CONCLUSION

In conclusion, the amicus curiae submits that the decision of the Supreme Court of Florida should be reversed.

Respectfully submitted,

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December, 1962

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In the Supreme Court of the United States

OCTOBER TERM, 1962

No. 322

ALEXANDER T. SPERRY, PETITIONER

v.

STATE OF FLORIDA EX REL. THE FLORIDA BAR

ON WRIT OF CERTIORARI TO THE SUPREME COURT OF THE STATE OF FLORIDA

BRIEF FOR THE UNITED STATES AS AMICUS CURIAE

OPINION BELOW

The opinion of the Supreme Court of the State of Florida (R. 51–68) is reported at 140 So. 2d 587.

JURISDICTION

The judgment of the Supreme Court of the State of Florida was entered on April 4, 1962 (R. 67–68). A petition for rehearing (R. 31–49) was denied on May 15, 1962 (R. 51). The petition for a writ of certiorari was filed on August 10, 1962, and was granted on October 22, 1962 (R. 69).

QUESTION PRESENTED

Petitioner, a non-lawyer, has been authorized by the Commissioner of Patents to practice before the

United States Patent Office. As part of that practice, petitioner has, for many years, represented patent applicants, prepared and prosecuted their applications, and advised them in connection with their applications, in the State of Florida. The court below enjoined these activities performed in Florida on the ground that they constitute the practice of law, which, under the rules, is restricted to members of the Florida bar.

The question presented is whether a State may prohibit such Patent Office practice by federally licensed lay practitioners when Congress has authorized the Commissioner to regulate all phases of the practice and has expressly authorized him to license qualified non-lawyers therefor.

STATUTES AND REGULATIONS INVOLVED

The statutes relating to the authority of the Patent Office to make regulations governing the practice of non-lawyers are set forth in the Appendix, *infra*, pp. 23–25.

The regulations of the Patent Office governing the admission and qualifications of practitioners before it are reproduced in the Appendix, *infra*, at pp. 25–33.

Section 2 of Article II of the Integration Rule of The Florida Bar appears in the Appendix, *infra*, at p. 33.

INTEREST OF THE UNITED STATES

The decision below threatens to interfere with the operation of various departments and agencies of the United States. The immediate impact, of course, would be felt by the Patent Office, but numerous other governmental functions are also affected.

1. There are currently more than 190,000 patent applications pending in the Patent Office. United States Patent Office, Official Gazette, Vol. 784, No. 2, p. 365, November 13, 1962. As of November, 1962, the register of the Patent Office indicated that, of the 7,544 persons registered to practice before it, 1,801 were not members of any bar and 1,687 were not members of the bar of the State in which they were practicing.[1] Thus, 3,488 practitioners would be immediately affected by the ruling in the instant case and others like it, if it were to be followed. See *Petition of Kearney*, 63 So. 2d 630 (Fla.); cf. *State of Wisconsin* v. *Keller*, 16 Wis. 2d 377, 114 N.W. 2d 796, 801.

It is worth noting that some of these registered lay practitioners are presently employed in the "patent sections" of the several Military Services and that they perform duties within the territorial jurisdiction of the several States. If the ruling here reaches them, the national defense establishment will be affected.

2. The impact of the decision on Patent Office practice is reason enough for concern. But the implications of the ruling are more far-reaching. There are a host of federal agencies which admit non-lawyers to

[1] Attorneys who are not members of the bar of the State in which they are practicing might face some difficulties in attempting to avail themselves of that State's reciprocity provisions for admission to its bar. Cf. *Application* of *Plantamura*, 22 Conn. Sup. 213, 166 A. 2d 859, affirmed, 149 Conn. 111, 176 A. 2d 61, certiorari denied, 369 U.S. 872.

their practice.[2] Those most directly affected include the Department of Commerce, parent department of the Patent Office, in its operations with respect to both patents and trademarks, 35 U.S.C. 31–33; 37 C.F.R. 1.341–1.348, 2.11–2.19; the Treasury Department (Internal Revenue), 5 U.S.C. 261; 31 C.F.R. 10.1–10.94 (Treasury Dept. Circular 230);[3] the United States Tax Court, 26 U.S.C. 7452; 26 C.F.R. 701.2; the Interstate Commerce Commission, 49 U.S.C. 17 (12); 49 C.F.R. 1.7–1.13; the Federal Maritime Commission, 46 U.S.C. 1114(b); 46 C.F.R. 201.26; the General Accounting Office, 31 U.S.C. 52; 4 C.F.R. 1.1–1.8; and the Veterans Administration, 38 C.F.R. 14.626–14.663.[4]

Although there is no group of regular practitioners connected with their operations, certain other governmental agencies which recognize non-lawyers might be affected. Among these are: the Department of Justice (Immigration and Naturalization), 8 C.F.R.

[2] Two significant studies have been made in this area. While they are not presently up to date, they nevertheless present an interesting picture of lay practice in the federal government. See House Committee on Government Operations, 85th Cong., 1st Sess., *Survey and Study of Administrative Organization, Procedure, and Practice in the Federal Agencies, 1957*; *Survey of the Legal Profession: Standards of Admission for Practice Before Federal Administrative Agencies*, Prentice-Hall, Inc., 1953.

[3] And, with respect to the licensing of customhouse brokers, see 19 U.S.C. 1641; 19 C.F.R. Part 31.

[4] Until 1954, the Department of the Interior, Bureau of Land Management, authorized laymen to practice before it. The present regulations allow practice by registered attorneys and laymen authorized before 1954. 5 U.S.C. 493; 43 C.F.R. 1.1–1.7, 161.9, 221.84.

6.1(d)(3), 292.1–292.12; the Department of Health, Education, and Welfare (Social Security), 42 U.S.C. 406; 20 C.F.R. 404.971 *et seq.;* the Department of Agriculture, 7 C.F.R. 1.26; the General Services Administration, Rule 14 of the Rules of the General Services Administration Board of Contract Appeals; the United States Civil Service Commission, 5 C.F.R. 22.405, 22.601, 36.303(a); the Board of Governors of the Federal Reserve System, 12 C.F.R. 263.1; the Railroad Retirement Board, 45 U.S.C. 355(i); 20 C.F.R. 262.12(a), 320.48; the National Labor Relations Board, 29 C.F.R. 102.38–102.58; the Federal Power Commission, 18 C.F.R. 1.4(a); the Federal Deposit Insurance Corporation, 12 C.F.R. 308.2(a); and the United States Tariff Commission, 19 C.F.R. 201.12.

STATEMENT

On March 6, 1961, pursuant to respondent's petition (R. 2–4), the Florida Supreme Court directed petitioner to show cause why he should not be adjudged guilty of contempt for engaging in certain activities alleged to constitute the unauthorized practice of law (R. 5). In this response to the rule, petitioner admitted many of the factual allegations of the petition; denied others; asserted that he was a duly licensed Patent Office practitioner, whose activities were solely related to that practice and did not constitute the unauthorized practice of law within the meaning of the pertinent rule of the Florida Bar; and, finally, defended on the ground that granting the requested injunctive relief would deprive him of a livelihood

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and of property, without due process of law, in violation of both the Florida and United States Constitutions (R. 6–10). In a subsequent motion for summary relief, respondent withdrew the factual allegations denied by petitioner, impliedly admitted petitioner's affirmative allegations, prayed that the previously requested injunction issue forthwith, and asked the court to define the practice of law in Florida as it relates to the patent field and to determine specifically what activities in that field petitioner cannot perform (R. 11–12).

The facts thus agreed upon by the parties are as follows: Though he has been admitted to practice before the Patent Office since January 12, 1928 (R. 8), petitioner is not a member of the Florida Bar. He maintained an office in Tampa, Florida, and until the institution of these proceedings, held himself out as a "Patent Attorney." He represented clients before the United States Patent Office; had on one occasion advised a client as to the existence of a cause of action for patent infringement; had rendered opinions as to patentability; and had prepared and filed applications for letters patent and amendments thereto (R. 11, 52–53).

The Florida Supreme Court entered its opinion and judgment on April 4, 1962 (R. 13–30). Upon a petition for rehearing (R. 31–49), which it denied (R. 51), the court re-issued its original opinion (R. 51–68), deleting only reference to decisions of lower courts in Ohio which had been reversed or overruled by the Ohio Court of Appeals (See R. 19, 31, 57). The opinion held that the Florida Supreme Court

has the power to regulate the practice of law and those who engage in it (R. 53–54), and that it may enforce its authority in such matters by both contempt proceedings and injunction (R. 54–55). After analyzing in detail the elements of petitioner's practice (R. 58–62), the court determined that his activities constituted the practice of law (R. 62), and ruled that petitioner's license to practice before the Patent Office did not authorize his practice in the State of Florida (R. 65). Finally, rejecting petitioner's due process and privilege and immunity contentions (R. 67–68), the court concluded:

> * * * that the respondent, until and unless he becomes a member of the Bar of this state, should be and is permanently enjoined from the following activities in this state:
>
> 1. using the term "patent attorney" or holding himself out to be an attorney at law in this state in any field or phase of the law (we recognize that the respondent according to the record before us has already voluntarily ceased the use of the word "attorney");
>
> 2. rendering legal opinions, including opinions as to patentability or infringement on patent rights;
>
> 3. preparing, drafting and construing legal documents;
>
> 4. holding himself out, in this state, as qualified to prepare and prosecute applications for letters patent, and amendments thereto;

5. preparation and prosecution of applications for letters patent, and amendments thereto, in this state; and

6. otherwise engaging in the practice of law.

This injunction cannot and shall not in anywise be construed to affect any rights which the respondent has to practice before the Patent Office when done outside this state.

SUMMARY OF ARGUMENT

The regulation of Patent Office practice throughout the Nation is a necessary and appropriate incident to the operation of the patent system established under express constitutional mandate. The admission of qualified non-lawyers to that practice is a reasonable exercise of the regulatory power.

Congress, having constitutional power to do so, has expressly authorized the Commissioner of Patents to promulgate regulations admitting non-lawyers to Patent Office practice without regard to State rules governing the practice of law. Accordingly, the local regulation must give way where a conflict occurs.

The result, however, does not seriously interfere with the State's prerogative to police the practice of law within its borders. The activities authorized by the Patent Office license are narrowly circumscribed, and if the federal licensee keeps within the limits of his specialized field his practice will not impinge on the legitimate area of State regulation.

ARGUMENT

Congress authorized the Commissioner of Patents, subject to the approval of the Secretary of Commerce,

to "prescribe regulations governing the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Patent Office * * *" 35 U.S.C. 31. The Commissioner accordingly promulgated rules of practice, one of which provides that "[a]ny citizen of the United States not an attorney at law who fullfills the requirements and complies with the provisions of these rules may be admitted to practice before the Patent Office and have his name entered on the register of agents." 37 C.F.R. 1.341. See also, 37 C.F.R. 1.31.

Neither party questions the authority of Congress to establish the Patent Office and regulate practice before it. Nor is the validity of the rule which permits qualified non-lawyers to practice before the Patent Office challenged. The only issue is whether the federal license of lay practitioners authorizes activities within the State of Florida which are said to constitute the practice of law.[5] But, narrow as is the area of disagreement, the breadth of the injunction issued by the court below unfortunately precludes the normal accommodation between the federal and state regulations. Indeed, the decision below bars even the "preparation and prosecution of applications for letters patent, and amendment thereto" by non-members of the local bar—services which, in our view, licensed Patent Office practitioners are

[5] The petition for certiorari does not challenge the Florida court's holding that petitioner's Patent Office practice, conducted within that State, constitutes the practice of law in derogation of local rules. We accordingly accept that determination here.

clearly entitled to perform. The result is a clear conflict which must be resolved.

The holding of the Florida Supreme Court is apparently that Congress lacks constitutional power to authorize Patent Office practitioners who are nonmembers of the local bar to perform any act which, in the eyes of the State, amounts to the practice of law. Here, the respondent does not go so far. The Florida Bar seems to concede that the federal regulation might override contrary local rules if Congress had wished it so, but argues that Congress has not sufficiently expressed its intent to accomplish this supersession.

There are, then, two questions presented on this record: (1) Whether Congress could constitutionally authorize Patent Office practice in the several states by lay practitioners, in derogation of local rules governing the practice of law; and (2) whether, having the power, Congress has in fact exercised it.

As a practical matter, much the same considerations govern both questions. Thus, a showing that "practice before the Patent Office" necessarily includes activities performed within the territory of the several states, and not merely appearance before the federal agency at the seat of government, probably resolves both issues. On that factual assumption, regulation of patent practice in the States is "necessary and proper" legislation in furtherance of the express power to establish a patent system, which, of course, supersedes conflicting state law under the Supremacy Clause. And, by the same token, the necessity for regulating patent practice outside the federal en-

clave, as well as within it, supports the conclusion that Congress proposed to do both when it authorized the Patent Office to admit non-lawyers to the practice. Nevertheless, because the questions are of different proportions, one going to the constitutional power of Congress, the other only to legislative intent, and because there are incidental considerations peculiar to each, we treat them separately.

I

THE REGULATION OF PATENT OFFICE PRACTICE WITHIN THE SEVERAL STATES IS A "NECESSARY AND PROPER" MEANS FOR CARRYING INTO EXECUTION THE POWER TO ESTABLISH AND MAINTAIN A PATENT SYSTEM

As already noted, neither the power to prescribe regulations governing practice before the Patent Office, nor the decision to admit non-lawyers to that practice, is contested here. Nor could they be. The Patent Office exists in response to the express constitutional mandate "To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." Art. I, Sec. 8, Cl. 8. In separating the true inventor from the copyist, as it must, the Office necessarily performs a quasi-judicial function. See *United States* v. *Duell*, 172 U.S. 576, 586–587; *Butterworth* v. *Hoe*, 112 U.S. 50, 59. While its determinations are not conclusive, they are of great importance, and the content of the patent application is often crucial. Given the obvious problems of establishing novelty, and describing it, the preparation and prosecution of the application is a

difficult undertaking, full of pitfalls. Skilled practitioners in the art are accordingly an indispensable adjunct of the patent system. And, of course, the need of intermediaries carries with it the need for appropriate rules governing admission to the practice. *Goldsmith* v. *Board of Tax Appeals*, 270 U.S. 117. To insure the integrity of the patent system and protect inventors, high standards must be, and are, required. 37 C.F.R. 1.341(c), 1.344; see *Kingsland* v. *Dorsey*, 338 U.S. 318. But, because the subject matter demands a specialist, whose qualifications are not necessarily those of the general lawyer, the Patent Office has from the beginning licensed non-lawyers as well as attorneys.

All this is clear enough. But the Florida court insists that the Patent Office regulations, valid though they are, can have no force outside the federal enclave, at least insofar as they conflict with local rules governing the practice of law. On the contrary, we submit those rules of practice may, and must, apply throughout the Nation.

The crucial fact is that Patent Office practice is largely conducted outside the District of Columbia, and necessarily so. The practice is not confined to appearances before the federal agency at the seat of government. We have already noted that the patent application is the crucial document in obtaining a patent, and that its preparation is a difficult task. It is often at this stage that the practitioner performs his most valuable services. However, these services, including the formulation of the specification and the claims made for the invention, see

35 U.S.C. 112; 37 C.F.R. 1.71–1.79, are joint undertakings between agent and client, requiring close collaboration between the two. Nor does the need for mutual consultation begin or end with the preparation of the application. Initially, the inventor divulges his invention to the agent, and asks an opinion whether it appears to have patentable novelty. See 35 U.S.C. 102–103. The results of a "preliminary search" of the Patent Office records are then discussed; copies of prior patents in the area are examined; the two participants then decide whether to pursue the matter by filing a formal application. Later, amendments may be appropriate. See 35 U.S.C. 132; 37 C.F.R. 1.115–1.127. Here, again, inventor and agent must work together. Finally, the application may be rejected, see 35 U.S.C. 132; 37 C.F.R. 1.113, and the two will confer once more on the question of appeal to the Board of Patent Appeals. See 35 U.S.C. 134; 37 C.F.R. 1.191–1.198. We need not labor the evident advantages of face-to-face consultation in this process. Yet, if all inventors are to have an opportunity to enjoy these benefits, there must be local practitioners throughout the Nation, for, obviously, most inventors do not live in Washington.

It may be suggested that the inventor who does not wish to handle his application by mail through a Washington practitioner, or travel the distance himself, may procure the services of a registered patent practitioner who is also a member of the local bar. But this is to say that the States may ultimately override a federal determination that fulfillment of the functions of the Patent Office is aided by licensing

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skilled non-lawyers. Thus, if Florida's rule were followed in the other 49 States, the patent agent would be driven from the scene, except, perhaps, in the District of Columbia.*

The short of it is that Congress has, and always has had, constitutional power to regulate Patent Office practice throughout the country and to permit qualified laymen to engage in that practice, wherever they may reside. The means are "appropriate" and "plainly adapted" to a legitimate end which is within the scope of the Constitution. Nothing more is required. *McCulloch* v. *Maryland*, 4 Wheat. 316, 421.

II

CONGRESS HAS EXERCISED ITS POWER TO PRESCRIBE QUALIFICATIONS FOR PATENT OFFICE PRACTICE THROUGHOUT THE COUNTRY WITHOUT REGARD TO LOCAL RULES GOVERNING THE PRACTICE OF LAW

It may well be that the existence of federal power of itself ousts State jurisdiction and bars all State

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*The Ohio Court of Appeals recently stated the point in *Battelle Memorial Institute* v. *Green*, 133 U.S.P.Q. 49, 54:

> Were the courts of each state to control practice before the United States Patent Office, thus usurping a right to control that which they cannot authorize in the first instance, by considering it to constitute the practice of law within their state; then the courts of the 50 states by ignoring the provisions of Article VI of the United States Constitution, supra, could render the provisions of Congress in regard to practice before the Patent Office as enacted under the provisions of Article I, Section 8, of the United States Constitution, supra, a nullity.

Of course, there is no constitutional requirement that the Patent Office be in the District of Columbia or that the conduct of its hearings be centralized in a single location.

regulation in this area. Cf. *McCulloch* v. *Maryland, supra; Henderson* v. *Mayor of New York*, 92 U.S. 259; *Webber* v. *Virginia*, 103 U.S. 344; *First National Bank* v. *California*, 262 U.S. 366. But, in the circumstances, we do not rely on the doctrine of exclusive powers. Nor need we even invoke the preemption principle announced in cases where Congress, having evinced its purpose to fully "occupy" the field, had not, in fact, done so. See, *e.g., Charleston & Car. R.R.* v. *Varnville Co.*, 237 U.S. 597; *Penna. R.R. Co.* v. *Pub. Service Comm.*, 250 U.S. 566; *Napier* v. *Atlantic Coast Line*, 272 U.S. 605; *Hines* v. *Davidowitz*, 312 U.S. 52; cf. *Johnson* v. *Maryland*, 254 U.S. 51, 57. For, under the ruling below, there is a clear and unavoidable conflict between the federal regulation, expressly authorized by Congress, and the local rule of practice, as interpreted by the highest court of the State.

As we have already shown, Patent Office practice necessarily includes many acts performed within the jurisdiction of the several States. It follows that in 1922,[7] and again in 1952,[8] when Congress provided for regulations prescribing qualifications for that practice, it must have intended that they should be effective throughout the country. Knowing, as it must

[7] Act of February 18, 1922, § 3, 42 Stat. 390, as amended, 35 U.S.C. (1946 ed.) 11, which, in pertinent part, empowers the Commissioner of Patents to: "prescribe rules and regulations governing the recognition of agents, attorneys, or other persons representing applicants or other parties before his office * * *."

[8] Act of July 19, 1952, 66 Stat. 795–796, 35 U.S.C. 31–33, which, so far as here relevant, traces the language of the 1922 Act almost verbatim.

have, that the great majority of Patent Office practitioners were in fact residing and practicing outside the federal enclave,[9] Congress obviously meant that the rules about to be promulgated were to apply to them. So much is beyond dispute.

It is suggested, however, that Congress did not expressly authorize the Commissioner of Patents to promulgate regulations which would conflict with State rules governing the practice of law. Yet, the Acts of 1922 and 1952 unmistakably contemplate that non-lawyers will be admitted to Patent Office practice. Both enactments empower the Commissioner in terms to prescribe regulations governing the recognition and conduct of *agents*, attorneys, or *other persons* representing applicants or other parties before the Patent Office. Is it to be supposed that Congress was ignorant of the common State requirement that only locally admitted members of the bar be permitted to practice law? Obviously not. Or did Congress overlook the possibility that some part of Patent Office practice might, in some States, be deemed to constitute the practice of law? The evidence to the contrary is overwhelming.

Long before 1952, when Congress last authorized the Patent Office to license non-lawyers, the issue had been agitated. There were State court decisions look-

[9] The most current published list of practitioners licensed by the Patent Office and available to the general public shows that all but about 750 out of a total of about 6,000 are non-residents of the District of Columbia. *Patent Attorneys and Agents Available to Represent Inventors Before the U.S. Patent Office* (U.S. Department of Commerce, Patent Office, G.P.O. Oct. 1, 1961). Similar lists have been published since 1897.

ing both ways on the question whether the local practice of agents licenced by federal bodies violated State practice of law rules. Compare, *e.g.*, *Matter of Lyon*, 301 Mass. 30, 35–36, 16 N.E. 2d 74, 77, and *Blair et al. v. Motor Carrier Service Bureau, Inc.*, 40 Pa. D. & C. 413, 426–428, with *Matter of New York County Lawyers Ass'n (Bercu)*, 273 App. Div. 524, 78 N.Y.S. 2d, 209, affirmed, 299 N.Y. 728, 87 N.E. 2d 451. See 111 A.L.R. 19 (1937), supplemented in 125 A.L.R. 1173 and 151 A.L.R. 781. Certainly, Congress knew that the same conflict had already arisen and would probably recur in connection with Patent Office practitioners. Compare *Schroeder v. Wheeler*, 126 Cal. App. 367, 14 P. 2d 903, and *Sharp v. Mida's Research Bureau*, 45 N.Y.S. 2d 690, affirmed, 267 App. Div. 980, 48 N.Y.S. 2d 799, with *Chicago Bar Ass'n v. Kellogg*, 338 Ill. App. 618, 88 N.E. 2d 519, and *Marshall v. New Inventor's Club, Inc.*, 69 O.L.A. 578, 117 N.E. 2d 737. The best proof of congressional focusing on the problem is the fact that, with particular reference to Patent Office practice, committees of the Congress had considered, and rejected, proposals to require admission to the local bar as a prerequisite qualification. See H. Rep. No. 715, 69th Cong., 1st Sess. 1926); H. Rep. No. 728, 71st Cong., 2d Sess. (1930); S. Rep. No. 626, 71st Cong., 2d Sess. (1930); 74 Cong. Rec. 5724 (1931). The inference is plain that Congress intended the Commissioner's regulations to prevail, superseding contrary local rules where necessary.

Given clear constitutional power to override state regulation, and a congressional purpose to do so,

there can be no debate about the resolution of the conflict. Under the Supremacy Clause, the local rule must give away. *Gibbons* v. *Ogden,* 9 Wheat. 1; *Florida* v. *Mellon,* 273 U.S. 12, 17; *Hill* v. *Florida,* 325 U.S. 538, 542; *Castle* v. *Hayes Freight Lines,* 348 U.S. 61; *Leslie Miller, Inc.* v. *Arkansas,* 352 U.S. 187, 189–190.

III

THE REGULATION ADMITTING NON-LAWYERS TO PATENT OFFICE PRACTICE AND THE FLORIDA RULE RESTRICTING THE PRACTICE OF LAW TO MEMBERS OF THE LOCAL BAR CAN BE ACCOMMODATED WITHOUT SERIOUS INJURY TO THE STATE'S PREROGATIVES

While the existence of federal power and the exercise of that power doubtless resolve the issue, we think it appropriate to point out that the decision we advocate will not impair State regulation of the practice of law. There is, indeed, no serious obstacle to working out a *modus vivendi* which recognizes the legitimate interests of both sovereigns. We note that most of the States have found it possible to work out a satisfactory accommodation between federal regulations admitting lay practitioners to a specialized practice and their own rules prohibiting the practice of law by non-lawyers.

Sometimes, the apparent conflict has been avoided by concluding that the activities of the practitioners licensed by the federal agency do not constitute the practice of law. See, *e.g., People ex rel. Colorado Bar Ass'n* v. *Erbaugh,* 42 Colo. 480, 94 P. 349; *Noble v. Hunt,* 95 Ga. App. 804, 809, 99 S.E. 2d 345, 348;

Schroeder v. *Wheeler, supra.* More often, state courts have reached the same result simply by deferring to the federal license, provided those who held it remained within its reasonable bounds. See, *e.g., In re McCue,* 211 Cal. 57, 66, 293 P. 47, 51; *Blair et al.* v. *Motor Carrier Bureau, Inc., supra; Public Service Traffic Bureau* v. *Haworth Marble Co.,* 40 Ohio App. 255, 178 N.E. 703; *De Pass* v. *B. Harris Wool Co.,* 346 Mo. 1038, 144 S.W. 2d 146; *Auerbacher* v. *Wood,* 142 N. J. Eq. 484, 59 A. 2d 863; *Battelle Memorial Institute* v. *Green, supra;* cf. *Matter of Lyon, supra.* But, whatever the grounds, the state courts have widely concluded that permitting the restricted practice involved does not jeopardize effective State control over the practive of law.

So, here, recognizing the right of Patent Office practitioners to carry on their profession within the State will not create serious problems. The Patent Office license does not purport to confer a privilege to engage in the general practice of law. See *Zenith Radio Corp.* v. *Radio Corp. of America,* 121 F. Supp. 792, 794 (D. Del.); *Chicago Bar Ass'n* v. *Kellogg, supra.* Hence, there is not involved here any question as to the State's prerogative to police its own attorneys, and those who would usurp that title without meeting local requirements. *Bradwell* v. *Illinois,* 16 Wall. 130, 138–139; *In re Lockwood,* 154 U.S. 116; *Schware* v. *Board of Bar Examiners,* 353 U.S. 232, 239. The area affected is very narrow. And, even within those boundaries, the permissible

activities are circumscribed. The Patent Office practitioner is licensed only to advise on matters before the Office, and to prepare and prosecute patent applications. It can be of no legitimate concern to Florida that he does some of these things within her boundaries. Nor should the State complain because the patent practitioner holds himself out as qualified to perform his specialized work, so long as he properly describes the scope of his license.

We have already recited the injunction issued by the court below (*supra*, pp. 7–8). Because it attempts to bar petitioner from all Patent Office practice within the State, it is clearly too broad. Thus, paragraphs 4 and 5 of the order, which enjoin petitioner from preparing and prosecuting patent applications and holding himself out as licensed to do that work, are wholly improper. Likewise, paragraph 2 is invalid on its face insofar as it purports to enjoin rendering "opinions as to patentability." While, as one licensed before 1938, petitioner is entitled to the designation "patent attorney," see 37 C.F.R. 1.341(b) (Note), paragraph 1 of the injunction is apparently mooted by petitioner's voluntary abandonment of the title. The remaining provisions of the order are probably unexceptionable, if understood as permitting the Patent Office practitioner to do what is necessary and proper under his license, without straying beyond his special qualifications.

CONCLUSION

For the reasons stated, it is respectfully submitted that the judgment below should be vacated and the cause remanded to the Florida Supreme Court with instructions to modify its injunction, if any injunction be deemed appropriate, so as to permit petitioner to engage in Patent Office practice within the State to the full extent of his license.

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DECEMBER 1962.

APPENDIX

Constitution of the United States:

> Art. I, Sec. 8, cl. 8. The Congress shall have Power * * * To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.
>
> Art. I, Sec. 8, cl. 18. The Congress shall have Power * * * To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.
>
> Art. VI, cl. 2. This Constitution, and the Laws of the United States which shall be made in Pursuance thereof and all treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the Contrary notwithstanding.

Act of Feb. 18, 1922, Section 3, 42 Stat. 390, as amended, 35 U.S.C. (1946 ed.) 11:

> The Commissioner of Patents, subject to the approval of the Secretary of Commerce, may prescribe rules and regulations governing the recognition of agents, attorneys, or other persons representing applicants or other parties before his office, and may require of such persons, agents, or attorneys, before being recognized as representatives of applicants or other

persons, that they shall show that they are of good moral character and in good repute, are possessed of the necessary qualifications to enable them to render to applicants or other persons valuable service, and are likewise competent to advise and assist applicants or other persons in the presentation or prosecution of their applications or other business before the Office. The Commissioner of Patents may, after notice and opportunity for a hearing, suspend or exclude, either generally or in any particular case, from further practice before his office any person, agent, or attorney shown to be incompetent or disreputable, or guilty of gross misconduct, or who refuses to comply with the said rules and regulations, or who shall, with intent to defraud in any manner, deceive, mislead, or threaten any applicant or prospective applicant, or other person having immediate or prospective business before the office, by word, circular, letter, or by advertising. The reasons for any such suspension or exclusion shall be duly recorded. The action of the commissioner may be reviewed upon the petition of the person so refused recognition or so suspended or excluded by the district court of the United States for the District of Columbia under such conditions and upon such proceedings as the said court may by its rules determine.

Act of July 19, 1952, 66 Stat. 795, 35 U.S.C. 31–33:

The Commissioner, subject to the approval of the Secretary of Commerce, may prescribe regulations governing the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Patent Office, and may require them, before being recognized as representatives of applicants or other persons, to show that they

are of good moral character and reputation and are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office.

The Commissioner may, after notice and opportunity for a hearing, suspend or exclude, either generally or in any particular case, from further practice before the Patent Office, any person, agent, or attorney shown to be incompetent or disreputable, or guilty of gross misconduct, or who does not comply with the regulations established under section 31 of this title, or who shall, by word, circular, letter or advertising, with intent to defraud in any manner, deceive, mislead, or threaten any applicant or prospective applicant, or other person having immediate or prospective business before the Office. The reasons for any such suspension or exclusion shall be duly recorded. The United States District Court for the District of Columbia, under such conditions and upon such proceedings as it by its rules determines, may review the action of the Commissioner upon the petition of the person so refused recognition or so suspended or excluded.

Whoever, not being recognized to practice before the Patent Office, holds himself out or permits himself to be held out as so recognized, or as being qualified to prepare or prosecute applications for patent, shall be fined not more than $1,000 for each offense.

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37 C.F.R. §§ 1.31, 1.341–1.348:

§ 1.31. Applicants may be represented by an attorney or agent. An applicant for patent may file and prosecute his own case, or he may be represented by an attorney or agent author-

ized to practice before the Patent Office in patent cases. The Patent Office cannot aid in the selection of an attorney or agent.

§ 1.341. Registration of attorneys and agents. A register of attorneys and a register of agents are kept in the Patent Office on which are entered the names of all persons recognized as entitled to represent applicants before the Patent Office in the preparation and prosecution of applications for patent. Registration in the Patent Office under the provisions of the regulations in this part shall only entitle the persons registered to practice before the Patent Office.

(a) *Attorneys at law.* Any attorney at law in good standing admitted to practice before any United States Court or the highest court of any State or Territory of the United States who fulfills the requirements and complies with the provisions of these rules may be admitted to practice before the Patent Office and have his name entered on the register of attorneys.

(b) *Agents.* Any citizen of the United States not an attorney at law who fulfills the requirements and complies with the provisions of these rules may be admitted to practice before the Patent Office and have his name entered on the register of agents.

NOTE: All persons registered prior to November 15, 1938, were registered as attorneys, whether they were attorneys at law or not, and such registrations have not been changed.

(c) *Requirements for registration.* No person will be admitted to practice and registered unless he shall apply to the Commissioner of Patents in writing on a prescribed form supplied by the Commissioner and furnish all requested information and material; and shall establish to the satisfaction of the Commissioner that he is of good moral character and

of good repute and possessed of the legal and scientific and technical qualifications necessary to enable him to render applicants for patents valuable service, and is otherwise competent to advise and assist them in the presentation and prosecution of their applications before the Patent Office. In order that the Commissioner may determine whether a person seeking to have his name placed upon either of the registers has the qualifications specified, satisfactory proof of good moral character and repute, and of sufficient basic training in scientific and technical matters must be submitted and an examination which is held from time to time must be taken and passed. The taking of an examination may be waived in the case of any person who has actively served for four years in the examining corps of the Patent Office.

(d) *Registration of firms.* Any firm, the individual members of which are each registered on the register of attorneys, may have its name entered upon the register of attorneys. Any firm, one of the individual members of which is registered on the register of agents and each of the remaining individual members are registered either on the register of attorneys or the register of agents, may have its name entered on the register of agents. If the membership of the firm is changed, application must be made for registration of the firm as changed.

(e) *Foreign patent attorneys and agents.* Any foreign patent attorney or agent not a resident of the United States who shall file proof to the satisfaction of the Commissioner that he is registered and in good standing before the patent office of the country in which he resides and practices, and is possessed of the qualifications stated in paragraph (c) of this section, may be registered on the register of agents as entitled to represent applicants located in such country before the United States

Patent Office in the presentation and prosecution of applications: *Provided,* That the patent office of such country allows substantially reciprocal privileges to those admitted to practice before the United States Patent Office. Such registration shall continue only during the period that the conditions specified obtain.

(f) *Government employees.* Officers and employees of the United States who are disqualified by statute (18 U.S.C. 281) from practicing as attorneys or agents in proceedings or other matters before Government departments or agencies, may not be registered, and if any registered attorney or agent becomes such an officer or employee, his name on the register shall be endorsed as inactive during the period of such employment, but officers or employees whose official duties require the preparation and prosecution of applications for patent may be registered (on compliance with the regulations in this part) or recognized to practice, to the extent necessary to carry out their official duties.

(g) *Former examiners.* No person who has served in the examining corps of the Patent Office will be registered after termination of his services, nor, if registered before such service, be reinstated, unless he undertakes (1) not to prosecute or aid in any manner in the prosecution of any application pending in any examining division in which he served, on the date he left said division; and (2) not to prepare or prosecute nor to assist in any manner in the preparation or prosecution of any application of another filed within two years after the date he left such division, and assigned to such division, without the specific authorization of the Commissioner. Associated and related classes in other divisions may be required to be included in the undertaking or designated classes may be excluded. In case application for registration or reinstatement is made after resignation from the Office, the ap-

plicant will not be registered, or reinstated, if he has prepared or prosecuted, or assisted in the preparation or prosecution of any such application as indicated in this paragraph.

(h) *Oath and registration fee.* Before his name may be entered on the register of attorneys or on the register of agents, every applicant for registration must, after his application is approved, subscribe and swear to an oath prescribed by the Commissioner of Patents and pay the prescribed registration fee. (See §1.21.)

(i) *Committee on Enrollment.* The Commissioner may establish a Committee on Enrollment to receive and act upon applications for registration to practice before the Patent Office, to conduct and supervise the examinations provided for in paragraph (c) of this section, to maintain the registers and to perform such other duties in connection with enrollment and recognition of attorneys and agents as may be necessary; or such functions may be performed by designated officials of the Patent Office. Any action of such committee or official may be reviewed by the Commissioner.

§ 1.342. Limited recognition. Any person not registered and not entitled to be recognized under § 1.341 as an attorney or agent to represent applicants generally may, upon a showing of circumstances which render it necessary or justifiable, be recognized by the Commissioner to prosecute as attorney or agent a specified application or applications, but this limited recognition shall not extend further than the application or applications specified.

§ 1.343. Persons not registered or recognized. No person or firm not registered or specifically recognized as provided in § 1.342 will be permitted to prosecute applications of others before the Patent Office.

§ 1.344. Professional conduct. Attorneys and agents appearing before the Patent Office

must conform to the standards of ethical and professional conduct generally applicable to attorneys before the courts of the United States.

§ 1.345. Advertising. (a) The use of advertising, circulars, letters, cards, and similar material to solicit patent business, directly or indirectly, is forbidden as unprofessional conduct, and any person engaging in such solicitation, or associated with or employed by others who so solicit, shall be refused recognition to practice before the Patent Office or may be suspended, excluded or disbarred from further practice.

(b) The use of simple professional letterheads, calling cards, or office signs, simple announcements necessitated by opening an office, change of association, or change of address, distributed to clients and friends, and insertion of listings in common form (not display) in a classified telephone or city directory, and listings and professional cards with biographical data in standard professional directories shall not be considered a violation of this rule.

(c) No agent shall, in any material specified in paragraph (b) of this section or in papers filed in the Patent Office, represent himself to be an attorney, solicitor or lawyer.

§ 1.346. Signature and certificate of attorney. Every paper filed by an attorney or agent representing an applicant or party to a proceeding in the Patent Office must bear the signature of such attorney or agent, except papers which are required to be signed by the applicant or party in person (such as the application itself and affidavits required of applicants). The signature of an attorney or agent to a paper filed by him, or the filing or presentation of any paper filed by him, or the filing or presentation of any paper by him, constitutes a certificate that the paper has been read; that its filing is authorized; that to the best of his knowledge, information, and belief there is good ground to support it; and that it is not interposed for

delay. When an applicant or party is represented by a registered firm, such papers must carry the signature of the firm, or the signature of an individual member of the firm or an individual registered attorney or agent employed by the firm and duly authorized to sign on behalf of the firm in addition to the firm name, and the certification constituted by the signing or presentation of the paper shall be a certification by and on behalf of the firm and by the individual.

§ 1.347. Removing names from registers. Attorneys, agents, and firms, registered to practice before the Patent Office, should notify the Office of any change of address for entry on the register, by letter separate from any notice of change of address filed in individual applications. The Office may address a letter to any person or firm on the registers, at the address of which separate notice for the register was last received, for the purpose of ascertaining whether such person or firm desires to remain on the register. The name of any person or firm failing to reply and give the information requested within a time limit specified will be removed from the register, and the names so removed published in the Official Gazette. Any name so removed may be reinstated, either on the register of attorneys or the register of agents, as may be appropriate.

§ 1.348. Suspension or disbarment proceedings. Except as otherwise provided, proceedings for suspension, disbarment, or exclusion from practice are before a Commissioner.

(a) *Investigating and prosecuting officer.* The duties of investigation, preparing charges, collecting and presenting testimony, and presenting a case for suspension, exclusion from practice or disbarment shall be performed by the Solicitor of the Patent Office or, at his direction, by a designated law examiner or other person, and neither the Solicitor nor such law examiner or other person shall participate in

any manner in the decision of the case. If, upon investigation of a complaint or other information concerning an attorney or agent, it shall appear to the Solicitor that grounds for suspension, exclusion from practice, or disbarment exist, he shall prepare and forward the necessary notice and statement.

(b) *Notice of proceedings.* Proceedings for suspension or disbarment shall be instituted by the Solicitor by mailing to, or otherwise serving on, the respondent a notice of such proceeding with a statement of the charges against him, at the same time forwarding a copy to the Commissioner. It shall be the duty of the respondent to answer the charges as specified in paragraph (c) of this section.

(c) *Answer.* The respondent's answer shall be filed in writing with the Commissioner within thirty days from the time the notice is served on the respondent, or within such extension of time as may be allowed by the Commissioner for good cause shown. The answer shall be under oath. Failure to answer within the time allowed will be taken as an admission of the charges. The respondent in his answer should specifically admit or deny every material allegation of fact in the statement of charges; every allegation not denied shall be deemed admitted, unless the respondent states that he has no knowledge thereof sufficient to form a belief, which statement shall be considered a denial. Any special matters of defense shall be stated affirmatively in the answer. False statements in the answer may be made the basis of supplemental charges.

(d) *Hearing.* (1) Unless the Commissioner finds the answer sufficient to dispose of the charges, he will set the case for hearing before him, notifying the respondent and the Solicitor of the place, day and time of commencement of the hearing. Evidence as to the matters in issue may be submitted at the hearing, the testimony

of witnesses being presented orally, under oath and reported.

(2) The hearing may be advanced and continued by the Commissioner, as far as may be deemed convenient and proper.

(3) Depositions for use at the hearing in lieu of personal appearance of witnesses may be taken by either the Solicitor or the respondent on application to and with the written consent of the Commissioner within such times and under such conditions as the Commissioner may prescribe.

(e) *Hearing officer.* The Commissioner may, in his discretion, delegate the conduct of the hearing to a hearing or trial examiner who shall be the presiding officer and who shall make a recommended decision.

(f) *Administrative Procedure Act.* Proceedings shall be governed, in matters not specially set forth herein, by the provisions of the Administrative Procedure Act, 60 Stat. 237; 5 U.S.C. 1001–1011, which may be applicable.

Section 2, Article II, of the Integration Rule of The Florida Bar, 31 F.S.A.:

> No person shall engage in any way in the practice of law in this state unless such person is an active member of The Florida Bar in good standing except that a practicing attorney of another state, in good standing, who has professional business in a court of record of this state may, upon motion, be permitted to practice for the purpose of such business only, when it is made to appear that he has associated and appearing with him in such business an active member of The Florida Bar.

U.S. GOVERNMENT PRINTING OFFICE 1982

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Office-Supreme Court, U.S.
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FEB 1 1963
JOHN F. DAVIS, CLERK

IN THE

Supreme Court of the United States

OCTOBER TERM, 1962

NO. 322

ALEXANDER T. SPERRY, Petitioner,

v.

STATE OF FLORIDA, ex rel., THE FLORIDA BAR,
Respondent.

On Writ of Certiorari to the Supreme Court of Florida

BRIEF OF AMERICAN PATENT LAW ASSOCIATION AS AMICUS CURIAE

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On Writ of Certiorari to the Supreme Court of Florida

BRIEF OF AMERICAN PATENT LAW ASSOCIATION AS AMICUS CURIAE

This brief is filed by the American Patent Law Association as amicus curiae pursuant to the written consent of the petitioner and respondent which is on file in the Clerk's Office.

I.

INTEREST OF AMICUS CURIAE

The American Patent Law Association is an association of over two thousand attorneys who are interested in the branches of law relating to patents, trademarks, copyrights and unfair competition. The large majority of the members of the association specialize in

Interest of Amicus Curiae.

the practice of patent law, including the representation of clients before the Patent Office and other administrative tribunals, the representation of clients in the Courts, both state and federal, and the preparation of opinions, contracts and other office matters relating to patents. The members of the Association are located in all parts of the United States.

The objects of the association are succinctly set forth in Article II of the Articles of Association. That Article reads in part as follows:

> "The objects of this Association shall be to maintain a high standard of professional ethics . . . to protect the administration of such [patent, trademark, copyright and unfair competition] laws against practices and practitioners tending to impose upon the public or otherwise to bring the patent, trademark or copyright systems into disrepute; . . . ."

The association is vitally interested in the outcome of the instant case, since it is directly concerned with the regulation of the practice of patent law. The association has been keenly aware of the questions raised by the present case for several years. In 1958, the association adopted a "Statement of Principles" intended as a general guide to the authorized practice of law relating to patents and trademarks. That Statement as amended in June 1959 reads as follows:

> "1. The right to practice law within a state is a personal franchise granted by the state to those who have complied with its rules and regulations pertaining thereto.
>
> "2. Each state has the right to prescribe its own rules and regulations for admission to practice law, and it alone has the power to control such practice within its borders.

Interest of Amicus Curiae.

"3. What constitutes the practice of law in any state is determined by the laws and decisions of the courts of that state.

"4. A franchise to practice law granted by one state does not extend beyond its own borders.

"5. There is, absent admission to practice law in a state, no such thing as admission to practice Federal Law or Foreign Law but (a) a lawyer permitted to practice before the United States Patent Office may prepare and prosecute applications and perform such other acts within the Patent Office as the Patent Office permits if the laws, rules, regulations or customs in the state where the lawyer maintains his office permit the same, and (b) a lawyer admitted to practice before a particular Federal Court may appear before such Court to the extent that such Court permits.

"6. A person admitted to practice law in any state may render legal services, or give legal advice, with respect to the law of any other state, or of the United States, or of any foreign country, as long as it is a part of his practice within the state where he is admitted.

"7. Any person who practices, or assumes to practice law within a state, without having been duly admitted or without otherwise complying with the recognized laws, rules or customs in that state is a layman engaged in the unauthorized practice of the law."

The petitioner herein is directly challenging the substance of these Principles. The petitioner directly raises the question as to the power of the state versus the power of the federal government to authorize and control the practice of law in the state by those having an office in the state who appear before federal agencies and otherwise advise and counsel the public in the area of law of interest to the agency.

II.

SUMMARY OF ARGUMENT

1. The right to practice law within a state is a personal franchise granted by the state. What constitutes the practice of law in any state is determined by the laws and decisions of the courts of that state. Each state has the sole right to prescribe rules and regulations for admission to practice law and it alone has the power to control such practice within its border. The Florida Supreme Court has decided that the services performed by the petitioner in Florida constitute the practice of law in Florida. That decision is not unreasonable or arbitrary and is not challenged by petitioner.

2. The Constitution of the United States does not empower Congress or its delegatee to authorize the practice of law in the several states. The judicial power of the United States, was vested in the United States Supreme Court, and, assuming *arguendo,* that the federal government has any power to authorize the practice of law in the several states, that power is vested in the judicial branch of the government. No such power has been assumed or exercised by the judicial branch of the federal government.

3. Neither Congress nor its delegatee, the Commissioner of Patents, has attempted to authorize the practice of law in the several states. Congress has merely empowered the Commissioner of Patents to regulate the admission and conduct of persons appearing before the Patent Office so that the Patent Office may properly perform its functions. This power is not incon-

sistent with the power of the several states to authorize and control the practice of law within their own borders.

4. The State of Florida has a legitimate interest in the control of the practice of the law pertaining to patents and trademarks in Florida. Many questions of state law are raised in the normal course of patent and trademark practice. The Constitution wisely leaves the control of the practice of all phases of the law to the several states.

III.

ARGUMENT

A. The Practice of Law Is Controlled by the States.

The right to practice law within a state is a personal franchise granted by the state. The state alone has the right to define, control and regulate the practice of law within its borders. In *Bradwell v. State of Illinois* (1872) 16 Wall. (83 U.S.) 130, this Court stated (p. 139):

> ". . . the right to control and regulate the granting of license to practice law in the courts of a State is one of those powers which are not transferred for its protection to the Federal government, and its exercise is in no manner governed or controlled by citizenship of the United States in the party seeking such license."

This elementary truth has been reaffirmed frequently by this Court. *In re Lockwood* (1894) 154 U.S. 116, this Court denied an application for leave to file a petition for a *mandamus* requiring the Supreme Court of Appeals of Virginia to admit Mrs. Lockwood to practice law in Virginia, since the right to control and regulate the practice of law was the right of the several states. See also *Selling et al. v. Radford* (1917) 243 U.S. 46, 50 and *Yeiser v. Dysart et al.* (1925) 267 U.S. 540, 541. *In re Summers* (1945) 325 U.S. 561, 571, this Court stated:

> "The responsibility for choice as to the personnel of its bar rests with Illinois. Only a decision which violated a federal right secured by the Fourteenth Amendment would authorize our intervention."

In *Konigsberg v. State Bar of California et al.,* (1957) 353 U.S. 252, 273, the Court again stated:

> "We recognize the importance of leaving States free to select their own bars, but it is equally important that the State not exercise this power in an arbitrary or discriminatory manner nor in such way as to impinge on the freedom of political expression or association."

The Supreme Court of Florida, in the exercise of these powers, has held that the acts and practices of the petitioner in Florida constitute the practice of law *in Florida*. A mere listing of a few of the acts of the petitioner demonstrates that this decision is not arbitrary. For example, the petitioner (1) gives legal opinions on patentability of inventions, including whether there is patentable subject matter (35 U.S.C. 101), whether there is a statutory bar (35 U.S.C. 102), and whether there is patentable invention (35 U.S.C. 103); the petitioner (2) prepares and presents arguments and briefs on questions of law; he (3) prepares affidavits and assignments; and he (4) takes testimony in *inter partes* proceedings. The foregoing is not a comprehensive list of the activities of petitioner which the Florida Supreme Court considered the practice of law, but it is sufficient to demonstrate that the decision was not arbitrary.

B. Congress Cannot Authorize the Practice of Law in the State of Florida.

The petitioner does not challenge the right of the State of Florida to regulate the practice of law in Florida generally. (Petitioner's Brief, p. 11) Nor does the petitioner challenge the decision of the Florida Supreme Court that his conduct constitutes the practice of law.* Instead, the petitioner argues that under the United States Constitution and Acts of Congress, he has the right to continue the acts proscribed by the Florida Supreme Court, notwithstanding the fact that the acts constitute the practice of law. This argument is contrary to the authorities cited above (e.g. *Konigsberg v. State Bar of California et al., supra,* recognizing "the importance of leaving the States free to select their own bars") and is not supported by the Constitution (see *Bradwell v. State of Illinois, supra,* holding that the right to control the practice of law was not transferred to the federal government).

The Constitution does not empower Congress to authorize the practice of law in the several states. Indeed, the Constitution, in effect, prohibits Congress from enacting legislation which would authorize the practice of law in the several states.

The Constitution expressly vests the judicial power of the United States "in one Supreme Court, and in such

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* The Brief of American Association of Registered Patent Attorneys and Agents, Amicus Curiae (pp. 8-12) challenges this holding of the Florida Supreme Court. However, the question is not properly before this Court. Rule 23 (1) (c), *Knetsch v. United States* (1960) 364 U.S. 361, 370.

inferior Courts as Congress may from time to time ordain and establish." Art. III, Sec. 1. The judicial power of a government includes the power to authorize, control and regulate the practice of law. Thus, assuming *arguendo,* that the federal government has any power to authorize the practice of law in the several states that power is vested by the Constitution solely in the judicial branch of the federal government. Thus, under the Constitution, Congress does not have the power to authorize the practice of law.

This Court, the lower federal Courts, and many state Courts have recognized and held that where the Constitution vests the judicial power of the government in the Courts, only the Courts can authorize, control and regulate the practice of law. In *Ex parte Secombe* (1856) 19 How. (60 U.S.) 9, 13, this Court stated:

> "And it has been well settled, by the rules and practice of common-law courts, that *it rests exclusively with the court to determine who is qualified to become one of its officers, as an attorney and counsellor,* and for what cause he ought to be removed. The power, however, is not an arbitrary and despotic one, to be exercised at the pleasure of the court, or from passion, prejudice, or personal hostility; but it is the duty of the court to exercise and regulate it by a sound and just judicial discretion, whereby the rights and independence of the bar may be as scrupulously guarded and maintained by the court, as the rights and dignity of the court itself."*

In *Laughlin v. Clephane et al.,* (D.C. D.C., 1947) 77 F. Supp. 103, 105, the Court stated:

> "As attorneys are officers of the court, *the power to admit applicants to practice law is judicial and not legislative and is vested in the courts only.*

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* Emphasis ours throughout this brief.

"It is the duty of the court to exercise and regulate the admission of applicants to the bar by sound and just judicial discretion. In re Secombe, 19 How. 9, 15 L. Ed. 565; * * *"

In *Emmons v. Smitt et al.,* (D.C. E.D. Mich. 1944) 58 F. Supp. 869, affd. 149 F. 2d 869, the Court stated:

"The right to control and regulate the granting of a license to practice law in the State of Michigan belongs to the State and in Michigan is governed entirely by the Supreme Court. Bradwell v. Illinois; Selling v. Redford, supra, and other cases cited herein."

In Re Opinion of the Justices (1935) 289 Mass. 607, 194 N.E. 313, 316, the Supreme Court of Massachusetts rendered an advisory opinion to the State Senate on the question as to whether it was "constitutionally competent" for the General Court or Legislature to enact legislation admitting or forbidding corporations or others to practice law in Massachusetts other than in its courts. In answering this question in the negative, the Court, among other things, said:

"It is inherent in the judicial department of government under the Constitution to control the practice of the law, the admission to the Bar of persons found qualified to act as attorneys at law and the removal from that position of those once admitted and found to be unfaithful to their trust. While the judicial department cannot be circumscribed or restricted in the performance of these duties, appropriate and essential assistance in discharging them may be afforded by the enactment of statutes. As the questions are framed and as a general proposition, valid permission to practice law cannot be given by the General Court except subject to the requirements for admission to the bar established by the judicial department. Opinion of the Justices, 279 Mass. 607, 180 N.E. 725, 81 A.L.R. 1059."

In another leading case, *People v. People's Stock Yards State Bank,* (1931), 344 Ill. 462, 176 N.E. 901, 905, 906, a bank, which was practicing law in the real estate and other fields, was found guilty of contempt of Court for engaging in the practice of law and enjoined from continuing to do so. The Court, among other things, made the following cogent statement, which has been frequently quoted or referred to:

> "Under the Constitution of this state, the judicial power is vested solely in the Courts. Const. art. 6 para. 1, and article 3; *Missouri River Telegraph Co. v. First Nat. Bank,* 74 Ill. 217; *in re Day,* 181 Ill. 73, 54 N.E. 646, 50 L.R.A. 519. Included in this grant are all powers necessary for complete performance of the judicial functions. *State of Illinois v. Illinois Central Railroad Co.,* 246 Ill. 188, 92 N.E. 814. Although the Constitution does not expressly confer upon this court power and jurisdiction with respect to the admission of attorneys to practice law, such power and jurisdiction are necessarily implied and are inherent in this court. *In re Day, supra.* As a part of such inherent power, this court may not only determine the educational and moral qualifications of applicants for admission to the bar, but may also discipline or disbar attorneys for misconduct. *People v. Chamberlain,* 242 Ill. 260, 89 N.E. 994; *People v. Czarnecki,* 268 Ill. 278, 109 N.E. 14. Attorneys are officers of this court, and their conduct as such is subject to supervision by it. They are, in effect, a part of the judicial system of the state. *In re Day, supra. People v. Czarnecki, supra; Ex parte Secombe,* 19 How. 9, 15 L. Ed. 565; *Ex parte Wall,* 107 U.S. 265, 2 S. Ct. 569, 27 L. Ed. 552. The power to prescribe the qualifications which will entitle an applicant to be admitted to the bar is judicial, as is also the power to discipline or disbar attorneys for professional misconduct either in court proceedings or their relations with clients outside of court.

> "Having inherent and plenary power and original jurisdiction to decide who shall be admitted to practice as attorneys in this state, this court also has all the power and jurisdiction necessary to protect and enforce its rules and decisions in that respect. Having power to determine who shall and who shall not practice law in this state, and to license those who may act as attorneys and forbid others who do not measure up to the standards or come within the provisions of its rules, it necessarily follows that this court has the power to enforce its rules and decisions against offenders, even though they have never been licensed by this court. Of what avail is the power to license in the absence of power to prevent one not licensed from practicing as an attorney? In the absence of power to control or punish unauthorized persons who presume to practice as attorneys and officers of this court the power to control admissions to the bar would be nugatory. And so it has been held that the court, which alone has authority to license attorneys, has as a necessary corollary ample implied power to protect this function by punishing unauthorized persons for usurping the privilege of acting as attorneys."

In *Bump v. District Court of Polk County,* (1924), 232 Iowa 623, 5 N.W. 2d 914, a non-lawyer was found guilty of the unauthorized practice of law. The Court, among other things, said:

> "Under the Constitution of Iowa, vesting judicial power exclusively in the courts, Article V, Section 1, and Section 12542 of the Code, the courts of this state are vested with complete authority to punish by contempt proceedings unlawful practice. See, also *Johnson v. Purcell,* supra, and cases cited therein."

The foregoing cases show clearly the unanimity of opinion that only the branch of the government vested with the judicial power of the government can authorize

the practice of law. The legislative branch of the government does not have the power to authorize the practice of law.

The petitioner suggests that the Congress derives some power to authorize the practice of law relating to patents in the several states from Article I, Section 8, clause 8 of the Constitution, which reads as follows:

> "To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries; . . ."

The argument that since Congress can grant patents it can also authorize the practice of law relating to patents is fallacious. It is neither necessary nor proper for Congress to authorize the practice of law in the several states in order to provide for the issuance of patents. If the petitioner's argument was sound, it would follow that the States' power to control the practice of law and the power of the judicial branch of the government to control the practice of law would be substantially limited. If Congress can authorize the practice of law with respect of each branch of law in which it has legislative power, the control over the practice of law exercised by the states and, specifically, by the judicial branch of the government, would be so diluted as to be practically nonexistent, except as to actual court appearances.

The Constitution does not empower the Congress to authorize the practice of law in the several states. This power is retained by the several states. If the federal government has any power to authorize this practice of law in the several states [See *Ginsburg v. Kovrak*, (1958) 392 Pa. 143, appeal dismissed for want of a substantial federal question (1958) 358 U.S. 52] that power belongs

to the judicial branch of the government. Clearly, Congress does not have the power under the Constitution to authorize the acts of petitioner *in the State of Florida.*

C. Neither Congress Nor the Commissioner of Patents Has Attempted to Authorize the Practice of Law in the State of Florida.

The foregoing demonstrates that Congress does not have power under the Constitution to authorize acts in the several states which constitute the practice of law in that state. Petitioner's argument that Congress and its delegatee, the Commissioner of Patents, have authorized the acts enjoined by the Florida Supreme Court is fallacious for a second reason. Neither Congress nor the Commissioner of Patents has attempted to authorize the practice of law in the several states. The Commissioner of Patents, pursuant to authority granted by Congress, has regulated practice *before the Patent Office* to protect the Patent Office in the performance of its duties. This regulation does not authorize the practice of law in the several states.

Pursuant to the power given it by the Constitution of the United States (Art. I, Sec. 8, Cl. 8), Congress enacted the Patent Act of 1952 (35 U.S.C. 1—293). That Act provides for the establishment of a Patent Office and for officers and employees of the Patent Office, including a Commissioner of Patents, whose duties are specified (35 U.S.C. 1, 3, and 6). The Patent Act of 1952 expressly authorizes the Commissioner to prescribe regulations covering the recognition and conduct of persons representing applicants for patents before the Patent Office. The statute (35 U.S.C. 31) provides:

> "The Commissioner, subject to the approval of the Secretary of Commerce, may prescribe regulations governing the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties *before the Patent Office,* and may require them, before being recognized as representatives of applicants or other persons, to show that they are of good moral character and reputation and are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office."

This section of the patent laws provides that the regulations shall cover representation "before the Patent Office" and nowhere else. There is nothing in the section authorizing the Commissioner of Patents to regulate practice in any other jurisdiction; specifically it does not authorize the Commissioner of Patents to regulate any phase of the practice of law in the several states.

Pursuant to the congressional authorization, the Commissioner has issued a number of rules governing those who are authorized to practice before the Patent Office in patent cases (37 C.F.R. 1.341-1.348). These rules provide for the registration of attorneys and agents. They, however, expressly recognize that registration in the Patent Office entitles persons to practice only before the Patent Office. Thus, Rule 341 (37 C.F.R. 1.341) provides:

> "Registration in the Patent Office under the provisions of these rules shall only entitle the person registered to practice before the Patent Office."

The power given to the Commissioner to regulate the admission and conduct of persons representing applicants before the Patent Office was designed for the

protection of the Patent Office. This is brought out in *Kingsland v. Dorsey* (1949), 338 U.S. 318, in which the Supreme Court upheld the action of the Commissioner of Patents in disbarring an attorney from practice before the Patent Office because of concealment from the Patent Office of a material fact during the prosecution of an application. In sustaining the Commissioner, the Court said (p. 319-320):

> "The statute under which the Commissioner acted represents congressional policy in an important field. It relates to the character and conduct of 'persons, agents or attorneys' who participate in proceedings to obtain patents. We agree with the following statement made by the Patent Office Committee on Enrollment and Disbarment that considered this case: 'By reason of the nature of an application for patent, *the relationship of attorneys to the Patent Office* requires the highest degree of candor and good faith. In its relation to applicants, the Office . . . must rely upon their integrity and deal with them in a spirit of trust and confidence. . . .' It was the Commissioner, not the courts, that Congress made primarily responsible for protecting the public from the evil consequences that might result if practitioners should betray their high trust."

Thus, Congress has authorized the Commissioner of Patents to regulate the admission and conduct of practitioners before the Patent Office in order that the Patent Office may properly perform its functions in the best interests of the public. Congress has been concerned solely with the operation of the Patent Office and not the practice of law, and the Commissioner of Patents has not attempted to go beyond the confines of the Patent Office. Nothing in the powers granted to the Commissioner of Patents to regulate practice in the Patent Of-

fice is inconsistent with the established right of the several states to control the practice of law within their borders.

D. The State of Florida Has a Legitimate Interest in the Practice of Patent Law Within the State of Florida.

At the outset, we point out that the Supreme Court of Florida has expressly disclaimed its right or the right of the State of Florida to control practice in the Patent Office or the admission of persons to practice in the Patent Office. It held only that the Supreme Court of Florida had the right to control the practice of law in Florida. Thus, the Court said (R. 65):

> "As above stated, we have no argument with the power of such agencies to determine who shall practice before them, but we do not agree that their licensing of a non-lawyer is in anywise to be taken as proof that the work done before them is not the practice of law or that one licensed by them has the right by virtue of said license to hold himself out as qualified to do those things in this state."

In so holding, it followed the principle of the decision of the Supreme Court of Pennsylvania in *Ginsburg v. Kovrak* (1958), 392 Pa. 143, 130 A.2d 889, appeal dismissed (1958) 358 U.S. 52, in which an attorney admitted to practice in the United States Supreme Court, the District Court and the Circuit Court of Appeals for the District of Columbia, and the Federal District Court for the Eastern District of Pennsylvania, but who was not admitted in the courts of the state, was enjoined from practicing law in Philadelphia County, Pennsylvania. The attorney claimed to limit his practice to federal tax mat-

ters, and he was admitted to practice before the U. S. Tax Court. Nevertheless, the Court held that he could not hold himself out to the public as a federal tax specialist.

We have established (supra, pp. 6-7) the right of each state to control the practice of law within its boundary. This right is based on the paramount interest of the state in protecting its citizens from improper and inadequate professional services. This interest extends to the preparation and prosecution of patent applications and applications for federal trademark registrations as much as to any other branch of the law. In the preparation and prosecution of such applications, many questions of state law arise. By way of example, an important question which arises when an inventor calls on a patent attorney for advice in the filing of an application is whether the inventor should file an application at all or should rely on the state law of trade secrets and confidential disclosure. A non-attorney who is unqualified to give advice on the state law not only provides an incomplete service but also may be rendering great disservice.

In the preliminary stage prior to filing an application, it is frequently necessary for a patent practitioner to advise his client as to his rights in the invention in view of an employer-employee relationship in which the client is involved. Does the employer or employee own the invention? If the client is a corporation, should an assignment be filed with the application? If the client is the employee, does the client have the right to file a patent application without the consent of his employer? In many instances, there is a written contract of employment and the patent practitioner must interpret this contract and give legal advice (clearly based on his

knowledge of state law) as to its effect before a decision can be reached on the filing of an application.

The idea submitted to the practitioner may be subject matter which properly is protected by a copyright rather than a patent, and the Commissioner of Patents has no way of testing the practitioner's knowledge of copyright law.

Further, the Patent Act of 1952 provides (35 U.S.C. 117):

> "Legal representatives of deceased inventors and of those under legal incapacity may make application for patent upon compliance with the requirements and on the same terms and conditions applicable to the inventor."

Thus a competent patent practitioner will need to know the laws of the state in which he is practicing to determine who is the legal representative of a deceased inventor whose invention he is processing and he should be able to determine whether, under the laws of the state, the inventor is under any legal incapacity.

Quite frequently, inventors wish to secure patents for their inventions not only in the United States but in foreign countries, and will naturally inquire of the practitioner to whom they take an invention whether or not they should or can file in foreign countries. The practitioner must have a working knowledge of foreign laws, and the giving of advice as to foreign law constitutes the practice of law in the state where the advice is given. *In re Roel* (1957) 3 N.Y. 2d 224, 144 N.E. 2d 24; appeal dismissed (1958) 355 U.S. 604.

Petitioner has admitted (R. 8) that he has "engaged in all phases of trademark practice before the

United States Patent Office." Such practice invariably involves the initial determination whether the client should file an application for a federal registration or whether his interests would best be protected by the filing of a state registration in view of provisions in state trademark statutes which are not provided in the federal trademark laws. As a third alternative the client might be better advised to rely on his "common law" trademark rights. Obviously, a knowledge of the trademark laws of the state (common law and statutory) is essential to decide these questions.

Petitioner has also admitted (R. 10) that he has prepared patent assignments. Assignments are contracts and the validity of contracts is determined primarily by state law.

Thus, the practice of patent and trademark law is the practice of a specialized branch of law requiring knowledge of both state and federal laws and a practice in which both the state and the federal government have legitimate interests. The federal government in the person of the Commissioner of Patents rightfully controls the operation of the Patent Office and regulates the recognition and conduct of persons representing applicants before the Patent Office in order that it may properly perform its functions. On the other hand, the State of Florida has a vital interest in the regulation of the practice of the law within the state of Florida. The citizens of Florida who seek advice in patent and trademark matters in Florida cannot be properly advised by one who does not have full knowledge of the laws of Florida. Therefore the Constitution of the United States has dele-

gated to Congress the administration of the Patent Office and has reserved exclusively to the states the power to authorize, regulate and control all phases of the practice of law in the states.

IV.

CONCLUSION

We submit that the decision of the Supreme Court of the State of Florida should be affirmed.

Respectfully submitted,

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Supreme Court of the United States

OCTOBER TERM, 1962

No. 322

ALEXANDER T. SPERRY, *Petitioner*

v.

STATE OF FLORIDA, ex rel. THE FLORIDA BAR

On Writ of Certiorari To The
Supreme Court of the State of Florida

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Supreme Court of the United States

OCTOBER TERM, 1962

No. 322

ALEXANDER T. SPERRY, *Petitioner*

v.

STATE OF FLORIDA, ex rel. THE FLORIDA BAR

On Writ of Certiorari To The Supreme Court of the State of Florida

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RESPONDENT'S BRIEF

OPINION BELOW

The opinion of the Supreme Court of the State of Florida (R. 51-68) is reported at 140 So. 2d 587.

QUESTIONS PRESENTED

In 1928 Petitioner, a non-lawyer, was "recognized" by the Commissioner of Patents as "a person representing applicants or other parties before his office." In 1958, after practicing in several other jurisdictions, he moved to Tampa, Florida. There he proceeded to "hold himself out to the public as authorized to engage

in the practice of law in the patent field" (R. 2), to give opinions as to patentability and infringement of licenses, acts in Florida which, the Court below held, in an original proceeding brought by the Florida Bar, constitute the practice of law. Petitioner now claims that, by virtue of having been "recognized" by the Patent Office in Washington, D. C., he has a federal license to practice law relating to patents and trademarks in Florida, and to perform some but not all of the acts enjoined by the Florida Supreme Court.

The questions presented are:

1. Did Congress attempt to authorize the Commissioner of Patents to authorize the Petitioner to practice law relating to patents and trademarks in *Florida* by virtue of the provisions of section 487 of the Revised Statutes as amended by section 3 of the Act of February 18, 1922, 42 Stat. 390, which authorized the Commissioner to prescribe rules "governing the recognition of agents, attorneys or other persons representing applicants or other parties . . . in the presentation or prosecution of their applications or other business before" the Patent Office, and to "suspend or exclude . . . from further practice before his office any person, agent, or attorney shown" not to meet specified standards of conduct?

2. Did the Commissioner of Patents attempt to authorize Petitioner to practice law relating to patents and trademarks in *Florida* by virtue of the entry in 1928 of Petitioner's name on a "register" in the Patent Office in Washington, D. C., of "all persons entitled to represent applicants before the Patent Office in the presentation and prosecution of applications for patents"?

3. If the statute and action of the Commissioner could be construed to amount to an attempted authorization to Petitioner to practice law relating to patents and trademarks in *Florida*, would the statute then be constitutional as a proper delegation of legislative power, in view of the fact that (a) the subject of authority to regulate the practice of law is not even mentioned as the subject of delegation, and (b) there is a complete absence of standards in the statute as to when, how or whether the Commissioner should authorize anyone to practice law?

4. If the statute and action of the Commissioner could be construed to amount to an attempted authorization to Petitioner to practice patent and trademark law in Florida, would the statute then be unconstitutional as an invasion of the province of the judiciary under Article III of the Constitution, the judiciary alone having power to admit persons to the bar and to disbar, and to define what constitutes the practice of law and to exclude unauthorized persons therefrom?

5. If the statute and action of the Commissioner could be construed to authorize Petitioner to practice law relating to patents and trademarks in Florida, and the obstacles stated in questions 3 and 4 could be overcome, then should not the statute be accommodated to the decision below, inasmuch as the statute bears no real relation to, and the decision below does not interfere with, the only power concerning patents granted by the States to the Federal government—protecting the exclusive right to an invention—(for "it is only the right to the invention or discovery, the incorporeal right, which the state cannot interfere with" *Webber* v. *Virginia* (1881), 103 U.S. 347, 26 L.Ed. 565)?

CONSTITUTIONAL AND STATUTORY PROVISIONS AND ADMINISTRATIVE REGULATIONS

Pertinent provisions of the Constitution of the United States and of the Constitution of the State of Florida, and Section 2, Article II of the Integration Rule of the Supreme Court of Florida, relating to the control of the practice of law in Florida by the Florida Supreme Court, are set forth in the Appendix.

Also set forth in the Appendix are the statutes relating to the "recognition" of persons before the Patent Office, and the regulations of the Commissioner of Patents relating thereto.

THE INTEREST OF THE UNITED STATES

In the brief of the United States as Amicus Curiae, it is stated that "The decision below threatens to interfere with the operation of various departments and agencies of the United States." (Brief, p. 2) We submit that the decision below does not have any such effect. Although the Solicitor General states that the decision below "prohibits such Patent Office practice" (Brief p. 2), we do not believe this fairly describes the decision below. The decision below expressly disclaimed any intention to interfere with "practice before the Patent Office."

In addition, the United States asserts, by reference to a Patent Office publication, that "of the 7,544 persons registered to practice before it, 1,801 were not members of any bar and 1,687 were not members of the bar of the state in which they were practicing. Thus 3,488 practitioners would be immediately affected by the ruling in the instant case and others like it, if it were to be followed. See *Petition of Kearney*, 63 So. 2d 630 (Fla); *Cf. State of Wisconsin* v. *Keller*, 16 Wis. 2d 377, 114 N.W. 2d 796, 801." (Brief p. 3).

The statements in the foregoing paragraph are in error for the following reasons:

1. It is common knowledge that, by virtue of the location of the Patent Office, there is a concentration in the District of Columbia of patent practitioners who are not members of the District of Columbia Bar. And Rule 96 of the Rules of the U. S. District Court for the District of Columbia provides specifically that the prohibition against the practice of law by persons not members of the D. C. Bar "shall not apply to practice before other federal Courts or executive departments, Government boards, commissions, or agencies, or to the holding out of the right to practice before such other federal Courts or executive departments or Government boards, commissions or agencies." Thus this Rule permits persons not members of the D. C. Bar to engage, in the District of Columbia, in so-called "administrative practice," including practice before the Patent Office, without being members of the D. C. Bar. Accordingly, the decision below could not presently have the slightest effect on the group of non-lawyer practitioners before the Patent Office located in the District of Columbia.

2. The statement that non-lawyer patent practitioners, not located in Florida, would be "immediately affected by the ruling in the instant case and others like it, if it were followed," is not clear. No non-lawyer practitioner in any state other than Florida would be affected in the slightest unless the Supreme Court of the particular state, after the institution and conclusion of the necessary litigation, should render a decision similar to the decision below. Even then, such a decision would not interfere with the non-lawyer's right to practice before the Patent Office it-

self. Moreover, it is noteworthy that over 10 years elapsed between the decision in a strikingly similar case, *Chicago Bar Association* v. *Kellogg* (1949), 338 Ill. App. 618, 88 N.E. 2d 519, and the institution of the instant lawsuit. In addition, the instant lawsuit would never have been brought had not the petitioner moved to Florida in 1958 and then proceeded to hold himself out to the public as entitled to practice law in the patent field in Florida.

3. Finally, as set forth *post*, p. 15-18, with respect to similar representations made in Petitioner's brief, even if the Florida decision were to be followed in all the States, the number of practitioners who would be affected—those holding themselves out to practice patent law—would only be a minute fraction of the 3,488 practitioners which the United States claims would be affected.

The United States also asserts (p. 3) that "It is worth noting that some of these registered lay practitioners are presently employed in the 'patents sections' of the several Military Services and that they perform duties within the territorial jurisdiction of the several states. If the ruling here reaches them, the national defense establishment will be affected." We do not believe the concern expressed for the "national defense establishment" has substance. So far as we know, no one has ever attempted to prevent an official who is in the Executive Branch of the Government and in the flow of power of the President under Article II of the Constitution, from performing the duties of his office, on the ground that he was engaged in the unauthorized practice of law. In addition, Florida became a Territory of the United States in 1828, and a State in 1845. It has always had military installations and, so far as

we know, no Florida official has ever attempted to interfere with the work of any military lawyer. Moreover, no such government official is involved in this case. The statement that "If the ruling here reaches them" is outside the issues, unrealistic conjecture.

STATEMENT OF THE CASE

1. Petitioner's Acts in Florida

Petitioner began work in the field of patents as a patent searcher (R. 8). On January 12, 1928 (R. 8), his name was entered on the "Register" of the Patent Office as a "Patent Attorney," thus becoming "recognized" [1] by the Patent Office under the applicable statutory provision, as a "person representing applicants or other parties before his office". At that time, Petitioner listed himself on the records of the Patent Office as a resident of New York City. The Patent Office records also show that he moved to Washington, D. C., in 1944, and that in 1951 he shifted his residence to California.

In 1958, according to the same records of the Patent Office, Petitioner moved to Florida. He is not a lawyer; and he never became a member of the Florida Bar. Nevertheless, he proceeded to establish an office on the 8th Floor of the First National Bank Building in Tampa, Florida, with "Patent Attorney" advertised on the entrance door of his office. In addition, he caused himself to be listed in the August 1960 Yellow Pages of the local telephone directory as a "Patent Attorney" (R. 2).

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[1] At that time a candidate for such "recognition" did not have to take an examination of any kind. Rather he was registered on the basis of affidavits as to his proficiency from those with whom he had worked. For the shortcomings of that practice, see the Brief of the American Bar Association as *Amicus Curiae*, App. C, p. C-6, footnote.

Promptly thereafter, in February 1961, Respondent The Florida Bar filed the "Petition for Rule to Show Cause" wherein it was alleged that by virtue of the acts above stated Petitioner here (respondent below) "holds himself out to the public as authorized to engage in the practice of law in the patent field" (R. 2). This allegation was not denied in Petitioner's Answer to the Petition and was therefore admitted.

More specifically, it was also alleged that Petitioner had, in Florida, rendered opinions as to patentability; had rendered infringement opinions advising clients as to whether existing patents provide a basis for a cause of action in the Federal Court; and had prepared numerous legal instruments including contracts, and applications for amendments to applications for letters patent, and has prepared briefs and authorities, etc. (R. 2, 3).

In his Answer and Defenses, Petitioner admitted "that he has held himself out as a 'Patent Attorney'" at his office in Tampa, and has caused his name "to similarly appear in the classified directory." (R. 6). However, after the litigation started, he discontinued holding himself out as a "Patent Attorney" (R. 7). But he did not discontinue doing legal work in the patent field. He admitted that, during the short time in which he had conducted operations in Florida, "he has rendered opinions as to patentability," and that "he has prepared and filed before the United States Patent Office applications for patents and amendments thereto and patent assignments." He admitted that he had "on one occasion advised a client as to whether an issued patent furnishes a basis of a cause of action for patent infringement, but says on that occasion the infringement opinion was part of his work in filing a

patent application for the client." He further admitted that he "has formulated license agreements in rough form, but states that he has never prepared a finished patent license." He denied that he has prepared "various contracts," except as previously admitted, and he denied that he had prepared "briefs and authorities with points and law relating thereto" (R. 7).

Petitioner also admitted that he "has likewise engaged in all phases of trademark practice before the United States Patent Office," (R. 8) even though the Rules of the Patent Office expressly forbid one not a lawyer from engaging in trademark practice when held by a state to be the unauthorized practice of law. A discussion of such trademark practice is presented in Appendix B of the brief of the American Bar Association as *amicus curiae*, 2 B 15-18.

As a result of the admissions in the Answer and Defenses, The Florida Bar promptly made a motion for summary decree in the Supreme Court of Florida, stating that Petitioner "had admitted performing all acts which The Florida Bar alleges are acts of unauthorized practice of law except that he denies that he has prepared various contracts and denies that he has prepared briefs; accordingly, your petitioner [Respondent in this Court] respectfully withdraws from the consideration of this Court the statements in its Petition charging Respondent with preparing contracts and briefs so as to enable the Court to have before it uncontradicted questions of fact." On the basis of this motion oral argument was had in the Supreme Court of Florida on 14 June 1961. Except for the allegations with respect to "preparing contracts and briefs" the allegations of the Petition of the Florida Bar were taken as admitted.

2. The Injunction and Holding of the Court is Only Partly Contested By Petitioner

The Court enjoined Petitioner from the following activities "*in this State*" (R. 67):

> "1. using the term 'patent attorney' or holding himself out to be an attorney at law in this state in any field or phase of the law (we recognize that the respondent according to the record before us has already voluntarily ceased the use of the word 'attorney');
>
> "2. rendering legal opinions, including opinions as to patentability or infringement of patent rights;
>
> "3. preparing, drafting and construing legal documents;
>
> "4. holding himself out, in this state, as qualified to prepare and prosecute applications for letters patent, and amendments thereto;
>
> "5. preparation and prosecution of applications for letters patent, and amendments thereto, in this state; and
>
> "6. otherwise engaging in the practice of law."

The Court also stated that "*An issuance of an injunction*" *will not* "*in any way affect his right to practice before the Patent Office in Washington, D. C.*"

Petitioner does not contest the entire decree. Thus, he does not contest item 1 enjoining him from "using the term Patent Attorney or holding himself out to be an attorney at law in this State . . ." To the same effect, see the brief of the United States, page 20. Also, Petitioner does not contest item 3 enjoining him from "preparing, drafting and construing legal documents," including license agreements. And he does not contest item 6 of the injunction against otherwise engaging in the practice of law. Despite these accepted injunctive

provisions, however, he contends in this Court that he should be permitted to hold himself out as qualified to prepare patent applications, and to render legal opinions, including opinions as to patentability or infringement on patent rights.

3. Summary of the Opinion Below

The Florida Supreme Court entered its opinion and judgment on April 4, 1962 (R. 13-30). A Petition for Rehearing was denied on May 15, 1962 (R. 51), and the original opinion was then corrected to omit reference to a decision of a trial court in Ohio which had been reversed by an intermediate court in Ohio, and which is now on appeal to the Supreme Court of Ohio (R. 19, 31, 57).

So far as here pertinent, the decision below held *first*, in line with other state cases, that the judicial power to admit to the Bar and to disbar carries with it the power to prevent the practice of law by those who were not admitted to such practice (R. 53, 54). This power is enforceable by either contempt proceedings or injunction.

Second, the Court held that the "acts committed by the Respondent constituted the practice of law." (R. 55) In so holding, the Court followed a strikingly similar case, *Petition of Kearney* (Fla. 1953), 63 So. 2d 630. In that case Kearney, who was admitted to practice before the Supreme Court, the Tax Court, and the Treasury Department, but not the Florida Bar, had sought permission to hold himself out to practice in Florida as "Federal Tax Counsel," with his Court appearances to be limited to the Federal Courts and the Departments above mentioned. The Court held that the activity involved constituted one phase of the

practice of law in Florida, and that in order to so hold himself out and practice, Kearney would have to become a member of the Florida Bar under Section 2, Integration Rule.

The Court also cited a similar patent case, *Chicago Bar Association* v. *Kellogg*, (1949), 338 Ill. App. 618, 88 N.E. 2d 519, where Kellogg, who was not a lawyer, but was admitted to practice before the United States Patent Office, was enjoined from practicing law relating to patents in Illinois, though without prejudice to his right to practice before the United States Patent Office.

Third, the Court pointed out that the respondent had made the argument that the practice of "patent law" is not the "practice of law" (R. 58). But the Court rejected that argument, holding, in line with the other State cases that it is "*the character of the acts themselves*" which determine whether they constitute the practice of law (R. 58). Accordingly, the Court held that the practice of "patent law" is the "practice of law."

More specifically, the Court pointed out that

> "one who *holds himself out* to the public in this state as qualified to advise as to patentability and does so is engaging in the practice of law. The same is true of the act of advising as to the infringement of patent rights. Both require extensive knowledge of the law, statute and case, in a field of the law that is as technical and involved as any known today." (Emphasis added.)

The Court then went on to cite legal authorities to the effect that

> "The specifications and claims of a patent constitute one of the most difficult legal instruments to draw with accuracy."

quoting from *Topliff* v. *Topliff* (1892), 145 U.S. 156, 36 L.Ed. 658, 12 S.Ct. 825. And the Court accordingly held that the preparation of applications for patents, and amendments thereto, among the other acts, constitute the practice of law.

Fourth, the Court answered in the negative the question "whether the respondent, by virtue of his admission to practice before the Patent Office as a patent attorney, has the right to do these things in this state without admittance to The Florida Bar." After pointing out at some length and in some detail the legal character of applications for patents (R. 59-62), the Court followed the *Kearney* case, in which "we held that anyone who *holds himself out* to practice 'in any field or phase of the law' must be a member of The Florida Bar." (Emphasis added.)

4. The Decision Below Did Not Enjoin Petitioner "From Practice Before the Patent Office"

Now, in this Court, however, Petitioner asserts strenuously that the decision below "has denied him" the "right" "to practice before the Patent Office." Petitioner's brief, p. 9. It is also asserted on the same page that "The present case is the first time that any state has ever held that patent agents could not practice before the Patent Office, . . ." Similar statements abound in Petitioner's brief, pp. 2, 7, 10, 11, and there is at least one comparable statement in the brief of the United States as *amicus curiae* where it is said that the question presented is "whether a state may prohibit such Patent Office practice . . ." (brief p. 2). In our view, however, these assertions do not fairly describe the decision below.

Also, the Court below did *not*, as asserted in the brief for Petitioner (p. 7), hold that "even though the Patent Office had licensed petitioner to practice before it, the state's police power permits it 'to deny [him] the right to so practice' in Florida (R. 55)." A fair reading of the paragraph in question shows that what the Court meant by "practice" was not the right to "practice before the Patent Office," but the right to "*practice law in Florida.*" Moreover, the implication given by this assertion of Petitioner is rebutted elsewhere in the Opinion (R. 67), and is unsupportable.

For the fact is that the Florida Supreme Court went out of its way to make clear that it was not in any sense endeavoring to interfere with Petitioner's right to practice before the Patent Office, saying that "*The issuance of an injunction . . .*" *will not* "*in any way affect his right to practice before the Patent Office in Washington, D. C.*" (Emphasis added.)

5. Significance of the Fact That Petitioner "Holds Himself Out" to Practice Patent Law in Florida

In the foregoing discussion we have purposely emphasized the phrase "*holding himself out*", which appears in eleven different places in the decision below. This repeated use of the phrase shows that the Florida Supreme Court was not concerned with activities of patent practitioners in Florida who do not hold themselves out to the public as entitled to practice patent and trademark law, such as full-time employees of corporations, government officials, etc.; and that the Court carefully confined its decision, in line with the allegations of the Petition for a Rule to Show Cause, to the case of a patent practitioner in Florida who admittedly "*holds himself out* to the public as authorized to engage

in the practice of law in the patent field" (R. 2). (Emphasis added.)

That is the only type of practitioner involved in this case. And in this connection it is noteworthy that Petitioner's brief suggests that the decision below provides a direct precedent for enjoining the activities of 62 of the 73 patent practitioners who have given the Patent Office a Florida mailing address. But the fact is that of the 73 patent practitioners there listed, The Florida Bar records show that 16 are members of The Florida Bar. Of the remaining 57, only 3, in addition to Sperry, appear to be "holding themselves out" to the public as entitled to practice patent law in Florida, by advertising in the Classified Telephone Directory in various Florida cities.

In summary, excluding Sperry, 16 out of 19, or 82.6 per cent of those who are "holding themselves out" to the public as entitled to practice patent law in Florida, are members of the Florida Bar. The remaining 53 practitioners, excluding Sperry also, are apparently either (1) enjoying their retirement in the Florida sunshine, or (2) enjoying full time employment in the patent departments of corporations, governmental agencies or other organizations, ordinarily working under the supervision of a patent lawyer. There is no reason to believe on this record that they are holding themselves out to the public as entitled to practice patent law, or that the decision below can affect them.

In addition, the marked difference between the true facts about the number of persons who are improperly "holding themselves out" in Florida and the Petitioner's suggestion that the decree will lead to enjoining 62 out of 73 Florida "practitioners", serves to demonstrate Petitioner's fundamental error in his in-

terpretation of the source of material for his statistics. The Department of Commerce booklet, "Patent Attorneys and Agents Available to Represent Inventors Before the United States Patent Office," which Petitioner states is his authority for his representation, is merely a published list of all persons who (1) have been recognized by the Patent Office and (2) have never specifically advised the Patent Office that they are *not* available to represent the inventor.

Yet there are practitioners who accept full time employment which precludes their representing applicants. Others retire, or die; and neither group is bound by any rule or custom to advise the Patent Office of this fact. Accordingly, it is plain that this list cannot be construed as a list of practitioners who are "holding themselves out" to the public in the communities which that publication lists as their residence. Indeed, the publication itself acknowledges this in its "Foreword," which states:

> "The list includes all registrants who have not informed the Patent Office that they are employees of the United States Government or full-time employees of corporations."

Moreover, it must be noted that while the Rules[2] require a lawyer, who has been duly recognized as a patent attorney, to advise the Patent Office when he changes his address, there is no parallel requirement that the Office be advised when the attorney secures admission to the local bar of his new residence. That being the case, the Patent Office records concerning bar membership cited by the Petitioner are only competent to establish the initial bar membership of a given reg-

[2] Rule 347, Rules of Practice of the United States Patent Office in Patent Cases (37 C.F.R. § 1.37).

istered practitioner as opposed to the sum total of his bar affiliations.[3]

The Petitioner makes precisely the same error when he represents (brief p. 36) that the 3,307 practitioners (over 45 per cent of the sum total of recognized patent practitioners) who are not listed in the Patent Office as being members of the Bar of the states where they reside will be adversely affected by a universal application of the holding of the Florida court.[4] For the Patent Office does not itself know how many of its practitioners are "holding themselves out." It does not know how many of its practitioners are engaged in full-time employment with various types of organizations. It does not know how many of its practitioners have joined the Bars of the jurisdictions wherein they now reside. Finally, it does not know how many of its practitioners have retired, or died. Accordingly, there is no conceivable way to support any of the figures suggested by the Petitioner or by the United States. But we think it fair to say that even a universal application of the decision below throughout the States would affect only a minute percentage of the estimates suggested by the briefs of the Petitioner and the United States—only those who are "*holding themselves out*" to the public as lawyers entitled to practice law relating to patents.

[3] For example, according to the records of The Florida bar and the Patent Office, four of the 16 Florida patent lawyers (25%) had moved to Florida since their recognition by the Patent Office and had never had occasion to advise the Patent Office of the fact that they had joined the Florida bar.

[4] The Brief of the United States makes a similar representation, but with a slightly different number being quoted. "Thus, 3488 practitioners would be immediately affected by the ruling in the instant case and others like it, if it were followed." (p. 3)

SUMMARY OF ARGUMENT

Contrary to the assertions of Petitioner and the United States, the Court below did *not* enjoin Petitioner from "practice before the Patent Office." It did enjoin him from performing certain acts in Florida which do not constitute practice before the Patent Office.

Moreover, Petitioner does not contest the entire decree, particularly those items enjoining him from holding himself out as a "Patent Attorney," preparing, etc. legal documents generally, or otherwise practicing law. But the necessary thrust of Petitioner's contention is that he has a federal license, by virtue of having been "recognized" by the Patent Office, to do the other things enjoined by the decree, that is, to prepare patent applications in Florida and give legal opinions in Florida, as to patentability and infringement, and to hold himself out as qualified to do so.

Thus Petitioner contends that, although not a lawyer, he should be permitted to practice law relating to patents—outside the Courtroom—in Florida. While the practice of law by unqualified persons inside the Courtroom was a problem in early English and American history, today the main problem area of unauthorized practice, following the industrial revolution and the Civil War, is the practice of law by unqualified persons *outside* the courtroom. See the brief of the American Bar Association as amicus curiae, pp. 4, 25.

Petitioner's contention should be rejected for the following reasons:

First, only the States, in the exercise of the police power, have the right to control and regulate the practice of law. This right stems from a lawyer's relation to the responsibilities of a Court, and is part of the

system of administration of justice of the State. *Bradwell* v. *Illinois* (1873), 16 Wall 130, 21 L.Ed. 442; *Theard* v. *United States* (1957), 354 U.S. 278, 281, 1 L.Ed. 2d 1342, 77 S.Ct. 1274. Moreover, where the judicial power is vested in the Courts, neither the State legislature nor an administrative agency has power to authorize people to practice law. Also what constitutes the practice of law in a particular State is a matter of State law, not subject to review by this Court. Accordingly, the acts which the decision below found to constitute the practice of law in Florida should be accepted as such by this Court.

The fact that the practice of law involves federal matters does not diminish the power of the States to regulate the practice of law, and the fact that a person may be admitted to practice before this or other federal Courts, or a federal administrative tribunal, confers no right to practice law in a State.

Second, in our case Congress has not, in the 1922 statute providing for "recognition" of persons entitled to represent applicant before the Patent Office, attempted to authorize the Commissioner of Patents to authorize the Petitioner to perform acts constituting the practice of law relating to patents in Florida. Nor has the Commissioner attempted to so authorize the Petitioner.

Third, if it could be claimed that both Congress in the statute and the Commissioner have attempted to authorize the Petitioner to practice patent law in Florida, then the statute would be unconstitutional on several grounds.

A. It would be an unconstitutional delegation of legislative power, inasmuch as the "practice of law" is not defined in the statute as the subject matter of any attempted delegation of power with respect thereto,

and there is a complete absence of standards as to when, whether, how or on what basis the Commissioner should authorize the Petitioner to practice law.

B. Neither Congress nor a federal administrative agency may authorize anyone to practice law in the federal field or elsewhere. The power to admit to the bar and to disbar, and to define what constitutes the practice of law and to exclude unauthorized persons therefrom is a *judicial* power, vested in that branch of the Government in which the judicial power is vested. See *Ex Parte Garland* (1867), 4 Wall. 333, 18 L.Ed. 336. In the Constitution of the United States the judicial power is vested in this Court and other federal Courts. Accordingly, in the Federal field only the Courts may authorize people to practice law. Any attempt by Congress or an administrative agency to authorize people to practice law would be a nullity.

C. In Article I, section 8, the States conferred upon the Federal Government only very limited power relating to discoveries. The only real power conferred is the right to "secure," that is, to "shield," "guard" or "protect" the exclusive right to discoveries. So long as a State does not unreasonably interfere with that right, the patent laws passed by Congress are "subject to" the State police power. *Patterson* v. *Kentucky* (1879), 97 U.S. 501, 24 L.Ed. 1115; *Webber* v. *Virginia* (1881), 103 U.S. 344, 26 L.Ed. 565; *Allen* v. *Riley* (1906), 203 U.S. 347, 51 L.Ed. 216, 27 S.Ct. 95. The decision below certainly does not unreasonably interfere with that right—indeed, it does not interfere with it at all. Accordingly, if it could be claimed that the statute in question attempted to authorize Petitioner to practice law relating to patents in Florida, then it would exceed the power conferred on Congress and invade the police power of the States.

ARGUMENT

POINT ONE

THE FLORIDA BAR IS AN OFFICIAL ARM OF THE STATE SYSTEM OF ADMINISTRATION OF JUSTICE

In September, 1947, the Florida State Bar Association, a voluntary Bar Association, canvassed the then 2700 lawyers of the State who reported that a majority of them were in favor of organizing the bar into a unified body and an official arm of the Supreme Court. The Florida Supreme Court then issued an order, *Petition of Florida State Bar Association* (1949), 40 So. 2d 902, organizing all of the lawyers of Florida into a single organization known as the Florida Bar. It now has in excess of 8000 members.

In the course of its opinion, the Florida Supreme Court noted that this action was taken in the exercise of the police power, specifically exercisable by that Court in which the judicial power of the State is vested. The court, among other things, said:

> "[6] . . . While the police power is generally considered an exclusive power of the legislature, it may for reasons not necessary to detail here, be exercised by the Courts."
>
> * * * * * * * * *
>
> "[10] . . . We think the independence of the judiciary is something more than a tinkling cymbal, in fact, we think it means that in those matters which are purely and essentially judicial the judiciary may chart its course without interference from other departments. . . ."

The Florida Supreme Court thereafter adopted a rule for the organization of the Florida Bar known as the Integration Rule, 31 Florida Statutes Annotated

Pages of the local telephone directory as a "Patent Attorney" (R. 2).

Promptly thereafter, in February 1961, Respondent The Florida Bar filed the "Petition for Rule to Show Cause" wherein it was alleged that by virtue of the acts above stated the Petitioner here (respondent below) "holds himself out to the public as authorized to engage in the practice of law in the patent field" (R. 2). This allegation was not denied in Petitioner's Answer to the Petition and was therefore admitted.

More specifically, it was also alleged that Petitioner had, in Florida, rendered opinions as to patentability; had rendered infringement opinions advising clients as to whether existing patents provide a basis for a cause of action in the Federal Court; and had prepared numerous legal instruments including contracts, and applications for amendments to applications for letters patent, and has prepared briefs and authorities, etc. (R. 2, 3).

In his Answer and Defenses, Petitioner admitted "that he has held himself out as a 'Patent Attorney' " at his office in Tampa, and has caused his name "to similarly appear in the classified directory" (R. 6). However, after the litigation started, he discontinued holding himself out as a "Patent Attorney" (R. 7). But he did not discontinue any legal work in the patent field. He admitted that, during the short time in which he had conducted operations in Florida, "he has rendered opinions as to patentability," and that "he has prepared and filed before the United States Patent Office applications for patents and amendments thereto and patent assignments." He admitted that he had "on one occasion advised a client as to whether an

issued patent furnishes a basis of a cause of action for patent infringement, but says on that occasion the infringement opinion was part of his work in filing a patent application for the client." He further admitted that he "has formulated license agreements in rough form, but states that he has never prepared a finished patent license." He denied that he has prepared "various contracts," except as previously admitted, and he denied that he had prepared "briefs and authorities with points and law relating thereto" (R. 7).

Petitioner also admitted that he "has likewise engaged in all phases of trademark practice before the United States Patent Office" (R. 8), even though the Rules of the Patent Office expressly forbid one not a lawyer from engaging in trademark practice when held by a state to be the unauthorized practice of law. A discussion of such trademark practice is presented hereinafter, Appendix B, pp. B-15-18.

As a result of the admissions in the Answer and Defenses, The Florida Bar promptly made a motion for summary decree in the Supreme Court of Florida, stating that Petitioner "had admitted performing all of the acts which The Florida Bar alleges are acts of unauthorized practice of law except that he denies that he has prepared various contracts and denies that he has prepared briefs; accordingly, your Petitioner [Respondent in this Court] respectfully withdraws from the consideration of this Court the statements in its Petition charging Respondent with preparing contracts and briefs so as to enable the Court to have before it uncontradicted questions of fact." (R. 11). On the basis of this motion oral argument was had in the Supreme Court of Florida on 14 June 1961. Except

for the allegations with respect to "preparing contracts and briefs" the allegations of the Petition of the Florida Bar were taken as admitted.

2. Summary of the Decision Below

The Florida Supreme Court entered its opinion and judgment on April 4, 1962 (R. 13-30). A Petition for Rehearing was denied on May 15, 1962 (R. 51), and the original opinion was then corrected to omit reference to a decision of a trial court in Ohio which had been reversed by an intermediate court in Ohio, and which is now on appeal to the Supreme Court of Ohio (R. 19, 31, 57).

The decision below may be summarized as follows:

First, in line with other state cases, the Court held that the judicial power to admit to the Bar and to disbar carries with it the power to prevent the practice of law by those who were not admitted to such practice (R. 53, 54).

Second, the Court held that the "acts committed by the Respondent constituted the practice of law." (R. 55) In so holding, the Court followed a strikingly similar case, *Petition of Kearney* (Fla. 1953), 63 So. 2d 630. In that case Kearney, who was admitted to practice before the Supreme Court, the Tax Court, and the Treasury Department, but not the Florida Bar, had sought permission to hold himself out to practice in Florida as "Federal Tax Counsel," with his Court appearances to be limited to the Federal Courts and the Departments above mentioned. The Court held that the activity involved constituted one phase of the practice of law in Florida, and that in order to so hold himself out and practice, Kearney would have to become a member of the Florida Bar under Section 2, Integration Rule.

The Court also cited a similar patent case, *Chicago Bar Association* v. *Kellogg* (1949), 338 Ill. App. 618, 88 N.E. 2d 519, where Kellogg, who was not a lawyer, but was admitted to practice before the United States Patent Office, was enjoined from practicing law relating to patents in Illinois, though without prejudice to his right to practice before the United States Patent Office.

Third, the Court below pointed out that the respondent had made the argument that the practice of "patent law" is not the "practice of law" (R. 58). But the Court rejected that argument, holding, in line with many other state cases that it is "*the character of the acts themselves*" which determine whether they constitute the practice of law (R. 58). Accordingly, the Court held that the practice of "patent law" is the "practice of law."

More specifically, the Court pointed out that

> "one who *holds himself out* to the public in this state as qualified to advise as to patentability and does so is engaging in the practice of law. The same is true of the act of advising as to the infringement of patent rights. Both require extensive knowledge of the law, statute and case, in a field of the law that is as technical and involved as any known today." (Emphasis added.)

The Court then went on to cite legal authorities to the effect that

> "The specifications and claims of a patent constitute one of the most difficult legal instruments to draw with accuracy,"

quoting from *Topliff* v. *Topliff* (1892), 145 U.S. 156, 36 L.Ed. 658, 12 S.Ct. 825. And the Court accordingly held that the preparation of applications for patents,

and amendments thereto, among the other acts, constitute the practice of law.

Fourth, the Court answered in the negative the question "whether the respondent, by virtue of his admission to practice before the Patent Office as a patent attorney, has the right to do these things in this state without admittance to The Florida Bar." After pointing out at some length and in some detail the legal character of applications for patents (R. 59-62), the Court followed the *Kearney* case, in which "we held that anyone who *holds himself out* to practice 'in any field or phase of the law' must be a member of The Florida Bar." (Emphasis added.) *Supra* p. 12.

3. The Decision Below Did Not Enjoin Petitioner "From Practice Before the Patent Office"

Now, in this Court, however, Petitioner asserts strenuously that the decision below "has denied him" the "right" "to practice before the Patent Office." Petitioner's brief, p. 9. It is also asserted on the same page that "The present case is the first time that any state has ever held that patent agents could not practice before the Patent Office, . . ." Similar statements abound in Petitioner's brief, pp. 2, 7, 10, 11; and there is at least one comparable statement in the brief of the United States as *amicus curiae* where it is said that the question presented is "whether a state may prohibit such Patent Office practice : . ." (brief p. 2). In our view, however, these assertions do not fairly describe the decision below.

Also, the Court below did *not*, as asserted in the brief for Petitioner (p. 7), hold that "even though the Patent Office had licensed petitioner to practice before it, the state's police power permits it 'to deny [him] the

right to so practice' in Florida (R. 55)." A fair reading of the paragraph in question shows that what the Court meant by "practice" was not the right to "practice before the Patent Office," but the right to "*practice law in Florida.*" Moreover, the implication given by this assertion of Petitioner is rebutted elsewhere in the Opinion (R. 67), and is unsupportable.

For the fact is that the Florida Supreme Court went out of its way to make clear that it was not in any sense endeavoring to interfere with Petitioner's right to practice before the Patent Office, saying that "*The issuance of an injunction . . .*" *will not* "*in any way affect his right to practice before the Patent Office in Washington, D. C.*" (R. 67). (Emphasis added.)

4. The Injunctive Provisions and Holding of the Court

Accordingly, the Court enjoined Petitioner from the following activities "*in this state*":

> "1. using the term 'patent attorney' or holding himself out to be an attorney at law in this state in any field or phase of the law (we recognize that the respondent according to the record before us has already voluntarily ceased the use of the word 'attorney').
>
> "2. rendering legal opinions, including opinions as to patentability or infringement on patent rights;
>
> "3. preparing, drafting and construing legal documents;
>
> "4. holding himself out, in this state, as qualified to prepare and prosecute applications for letters patent, and amendments thereto;

"5. preparation and prosecution of applications for letters patent, and amendments thereto, in this state; and

"6. otherwise engaging in the practice of law."

5. Significance of the Fact that Petitioner "Holds Himself Out" to Practice Patent Law in Florida

In the foregoing discussion we have emphasized the phrase "*holding himself out*", which appears in eleven different places in the decision below. This repeated use of the phrase shows that the Florida Supreme Court was not concerned with activities of patent practitioners in Florida who do not hold themselves out to the public as entitled to practice patent and trademark law, such as full-time employees of corporations, government officials, etc.; and that the court carefully confined its decision, as required by the allegations of the Petition, for a Rule to Show Cause, to the case of a patent practitioner in Florida who admittedly "*holds himself out* to the public as authorized to engage in the practice of law in the patent field" (R. 2). (Emphasis added.)

That is the only type of practitioner involved in this case. And in this connection it is noteworthy that Petitioner's brief suggests that the decision below provides a direct precedent for enjoining the activities of 62 of the 73 patent practitioners who have given the Patent Office a Florida mailing address. But the fact is that of the 73 patent practitioners there listed, The Florida Bar records show that 16 are members of The Florida Bar. Of the remaining 57, only 3, in addition to Sperry, appear to be "holding themselves out" to the public as entitled to practice patent law in Florida, by advertising themselves in the classified section of various Florida Telephone Directories.

In summary, excluding Sperry, 16 out of 19, or 82.6 per cent of those who are "holding themselves out" to the public as entitled to practice patent law in Florida, are members of the Florida Bar. The remaining 53 practitioners, excluding Sperry also, are apparently either (1) enjoying their retirement in the Florida sunshine, or (2) enjoying full time employment in the patent departments of corporations, governmental agencies or other organizations usually working under the supervision of a patent lawyer. There is no reason to believe on this record that they are holding themselves out to the public as entitled to practice law, or that the decision below can affect them.

The marked difference between the true facts about the number of persons who are improperly "holding themselves out" in Florida and the Petitioner's suggestion that the decree will lead to enjoining 62 out of 73 Florida "practitioners", serves to demonstrate Petitioner's fundamental error in his interpretation of the source of material for his statistics (Brief p. 4).

The Department of Commerce booklet, "Patent Attorneys and Agents Available to Represent Inventors Before the United States Patent Office", which Petitioner states is his authority for his representation, is merely a published list of all persons who (1) have been recognized by the Patent Office and (2) have never specifically advised the Patent Office that they are *not* available to represent inventors.

Yet there are practitioners who accept full time employment which precludes their representing applicants. Others retire, or die. And neither group is bound by any Rule or custom to advise the Patent Of-

fice of this fact. Accordingly, it is plain that this list cannot be construed as a list of practitioners who are "holding themselves out" to the public in the communities which that publication lists as their residence. Indeed, the publication itself acknowledges this in its "Foreword", which states:

> "The list includes all registrants who have not informed the Patent Office that they are employees of the United States Government or full-time employees of corporations."

Moreover, it must be noted that while the Rules[2] require a lawyer, who had been duly recognized as a patent attorney to advise the Patent Office when he changes his address, there is no parallel requirement that the Office be advised when the attorney obtains admission to the local bar of his new residence. That being the case, the Patent Office records concerning bar membership cited by the Petitioner are only competent to establish the initial bar membership of a given registered practitioner as opposed to the sum total of his bar affiliations.[3]

The Petitioner makes precisely the same error when he represents (brief p. 4), that the 3,307 practitioners (over 45 per cent of the sum total of recognized patent practitioners) who are not listed in the Patent Office

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[2] Rule 347, Rules of Practice of the United States Patent Office in Patent Cases (37 C.F.R. 1.347).

[3] For example, according to the records of The Florida bar and the Patent Office, 4 of the 16 Florida patent lawyers (25%) had moved to Florida since their recognition by the Patent Office and had never had occasion to advise the Patent Office of the fact that they had joined the Florida bar.

as being members of the bar of the states where they reside, will be adversely affected by a universal application of the holding of the Florida court.[4]

For the Patent Office does not itself know how many of its practitioners are "holding themselves out." It does not know how many of its practitioners are engaged in full time employment with various types of organizations. It does not know how many of its practitioners have joined the bars of the jurisdictions wherein they now reside. Finally, it does not know how many of its practitioners have retired, or died. Accordingly, there is no conceivable way to support any of the figures suggested by the Petitioner or by the United States.

But we think it fair to say that even a universal application of the decision below throughout the states would affect only a minute percentage of the estimates suggested by the briefs of the Petitioner and the United States—only those who are *"holding themselves out"* to the public as lawyers entitled to practice patent law.

SUMMARY OF ARGUMENT

Contrary to the assertions of Petitioner and the United States, the Court below did not enjoin Petitioner from "practice before the Patent Office." It did enjoin him from performing certain acts in Florida which do not constitute practice before the Patent Office. The Patent Office is located only in Washington, D. C.

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[4] The brief of the United States makes a similar representation, but with a slightly different number being quoted. "Thus, 3488 practitioners would be immediately affected by the ruling in the instant case and others like it, if it were followed." (p. 3)

Petitioner does not contest the entire decree, particularly those items enjoining him from holding himself out to the public as a "Patent Attorney," preparing, etc., legal documents generally, or otherwise practicing law. But the necessary thrust of Petitioner's contention is that he has a federal license, by virtue of having been "recognized" by the Patent Office, to do other things enjoined by the decree, that is, to prepare patent applications in Florida and give legal opinions in Florida, as to patentability and infringement, and to hold himself out as qualified to do so. Thus he contends that, although not a lawyer, he should be permitted to practice law relating to patents—outside the Courtroom—in Florida. While the practice of law by unqualified persons inside the Courtroom was a problem in early English and American history, today the main problem area of unauthorized practice, following the industrial revolution and the Civil War, is the practice of law by unqualified persons *outside* the courtroom.

Petitioner's contention should be rejected for the following reasons:

First, only the States, in the exercise of the police power, have the right to control and regulate the practice of law. This right stems from a lawyer's relation to the responsibilities of a court, and is part of the system of administration of justice of the State. *Bradwell* v. *Illinois* (1873), 16 Wall 130; *Theard* v. *United States* (1957), 354 U.S. 278, 281, 1 L.Ed. 2d 1342, 77 S.Ct. 1247. Moreover, where the judicial power is vested in the Courts, the State legislature or an administrative agency has no power to authorize people to practice law. Also, what constitutes the practice of law in a particular State is a matter of State law, not subject

to review by this Court. Accordingly, the acts which the decision below found to constitute the practice of law in Florida should be accepted as such by this Court.

The fact that the practice of law involves federal matters does not diminish the power of the States to regulate the practice of law; and the fact that a person may be admitted to practice before this Court, or a federal administrative tribunal, confers no right upon a person to practice law in a State.

Second, in our case Congress has not, in the 1922 statute providing for "recognition" of persons entitled to represent applicants before the Patent Office, attempted to authorize the Commissioner to authorize the Petitioner to practice law relating to patents in Florida. Nor has the Commissioner of Patents attempted to so authorize the Petitioner.

Third, if it could be claimed that both Congress in the statute and the Commissioner have attempted to authorize the Petitioner to practice law relating to patents in Florida, then the statute would be unconstitutional on several grounds.

A. It would be an unconstitutional delegation of legislative power, inasmuch as the "practice of law" is not defined in the statute as the subject matter of any attempted delegation of power; and there is a complete absence of standards as to when, whether, how or on what basis the Commissioner should authorize the Petitioner to practice law.

B. Neither Congress nor a federal administrative agency may authorize anyone to practice law in the federal field or elsewhere. The power to admit to the bar and to disbar, and to define what constitutes the

practice of law and to exclude unauthorized persons therefrom is a *judicial* power, vested in that branch of the Government in which the judicial power is vested. See ***Ex Parte Garland*** (1867), 4 Wall. 333, 18 L.Ed. 366. In the Constitution of the United States the judicial power is vested in this Court and other federal Courts. Accordingly, in the Federal field only the Courts may authorize people to practice law. Any attempt by Congress or an administrative agency to authorize people to practice law would be a nullity.

C. In Article I, section 8, of the Constitution of the United States, the States conferred only very limited power relating to discoveries on the Federal Government. The only real power conferred is the right to "secure," that is, to "shield," "guard" or "protect" the exclusive right to discoveries. So long as a State does not unreasonably interfere with that right, the patent laws passed by Congress are "subject to" the State police power. *Patterson* v. *Kentucky* (1879), 97 U.S. 501, 24 L.Ed 1115, *Webber* v. *Virginia* (1881), 103 U.S. 344, 26 L.Ed. 565, *Allen* v. *Riley* (1906), 203 U.S. 347, 5 L.Ed. 216, 27 S.Ct. 95. The decision below certainly does not unreasonably interfere with that right—indeed, it does not interfere with it at all. Accordingly, if it could be claimed that the statute in question attempted to authorize Petitioner to practice law relating to patents in Florida, then it would exceed the power conferred on Congress and invade the police power of the States.

ARGUMENT

POINT ONE

HISTORICAL BACKGROUND: THE BAR IS A RESULT, NOT A CAUSE. IT AROSE AS THE RESULT OF A PUBLIC DEMAND FOR THE EXCLUSION OF UNQUALIFIED PERSONS FROM THE PRACTICE OF LAW.

A. In General

The legal profession originally grew up around the Courts. In 1178 a spectacular development occurred, when Henry II appointed five clerks to devote full time to the business of acting as judges in litigation, that is "to do justice habitually." This was "a measure of great permanent importance." The Central Courts of England then began to develop, and, within the next century or so, a legal profession began to develop around them. See *Pollock and Maitland, "The History of English Law,"* 153-155, 211, (2nd ed.)

Interestingly enough, however, the Bar did not just mysteriously appear from nowhere. The fact is that the Bar arose as the *result* of the practice of law by unqualified persons—as the result of a public demand for the exclusion of those who assumed to practice law without adequate qualifications therefor. And today the practice of law by unqualified persons is generally called the "unauthorized practice of law," a phrase which will frequently appear in this brief.

Indeed, the first unauthorized practice statute goes back to 1292. In that year Edward I authorized John de Metingham, then Lord Chief Justice of the Court of Common Pleas, to appoint a certain number of "attornies and lawyers of the best and most apt for their learning and skill, who might do service to his court and people; and that those so chosen only, and no other," should practice. The king and his council then

deemed "the number of seven score to be sufficient for that employment," although the number was thenceforth left to the discretion of the justices. See Herbert, *"Antiquities of the Inns of Court and Chancery,"* 165-67 (1804). 1 Pollock and Maitland, *"The History of English Law"* 216 (2nd ed.).

Herbert, in a footnote, also describes another incident of judicial exclusion of unqualified persons from the practice of law in a rural society. "In 1454," he states, "an act of parliament notices, 'that there had used formerly six or eight attornies only, for Suffolk, Norfolk, and Norwich together; that this number was now increased to more than eighty, most of whom being not of sufficient knowledge, came to fairs, etc., etc., inciting the people to suits for small trespasses, etc., etc.; wherefore there shall be hereafter but six for Suffolk, six for Norfolk, and two for the city of Norwich.'—Andrew's Chron. Hist. of Great Britain, book ii, p. 148." Herbert, op. cit. *supra,* at 167 n. 2.

In the leading case of *Rhode Island Bar Assn.* v. *Automobile Serv. Assn.* (1935), 55 R.I. 122, 179 A. 139, Judge Condon carefully reviewed the 1292 ordinance of Edward I and the statute, 4 Henry IV, c. 18 (1402), which provided "that all the attornies shall be examined by the justices, and by their discretions their names put in the roll, and that they be good and virtuous, and of good fame, shall be received and sworn well and truly to serve in their offices . . . and the other attornies shall be put out . . ." He concluded: "This statute . . . is of interest to us here, however, only to illustrate that *the bar arose out of a public demand for the exclusion of those who assumed to practice law without adequate qualifications therefor.* It is also of importance because it shows beyond question that *the*

duty of excluding unauthorized persons was left to the discretion of the justices." (p. 144) (Emphasis added.) 55 R.I. at 133-34, 179 A. 144. Similar limitations were placed on membership in the bar in ancient Rome. See Pound, "*The Lawyer From Antiquity to Modern Times*" 51 (1953).

Until about the period of the industrial revolution, unauthorized practice problems revolved primarily around the courtroom. We submit, however, that the same standards should apply with regard to the practice of law outside the courtroom as to practice inside it. The unqualified person should no more be permitted to practice law *outside* the courtroom than in it, and the Courts have generally so held:

People v. *People's Stock Yards State Bank* (1931), 344 Ill. 462, 176 N.E. 901, 905.

In Re Duncan (1909), 83 S.C. 186, 65 S.E. 210, 211.

Opinion of the Justices (1935), 289 Mass. 607, 194 N.E. 313, 317.

Gray v. *Justice's Court of Williams Judicial TP* (1937), 18 Cal. App. 2d 420, 63 P. 2d 1160, 1162.

Fink v. *Peden* (1938), 214 Ind. 584, 17 N.E. 2d 95, 96.

People v. *Alfani* (1919), 227 N.Y. 334, 125 N.E. 671.

Eley v. *Miller* (1893), 7 Ind. App. 529, 34 N.E. 836.

Boykin v. *Hopkins* (1932), 174 Ga. 511, 162 S.E. 796, 799, 800.

B. The Industrial Revolution: the Great Increase in the Practice of Law Outside the Courtroom: and the Rise of Legal Ethics

With the industrial revolution following the Civil War, however, the types and quantity of property useable by humanity enormously increased, requiring the application of legal principles with respect to such

things as its creation, management, transfer, disposition, etc. Toward the end of the nineteenth century this became accompanied by a striking increase in government regulation. Along with these factors came corresponding increases in paper work and desk work, and a tremendous increase in the practice of law outside the courtroom.

This is even illustrated in the field of patents. Until about 1870 there were no written applications for patents as we know them now. The "application" then ordinarily consisted of the filing of a model; and the inventor was not required to make any claims other than to say "I claim the invention as herein shown and described."[5] But as the industrial revolution pro-

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[5] Arthur P. Greely, who as Assistant Patent Examiner participated in the "refusal" of the Patent Office "to recognize" the notorious John T. Wedderburn in 1897, and in 1926 a prominent patent attorney, stated before the House Committee on Patents in that year at a hearing on H.R. 5811, 69th Cong., 1st Sess., "Prevention of Fraud in Practice Before Patent Office," at page 79, as follows: "Now the law originally did not contemplate anything more than putting into the Patent Office a description of his invention. For many years he was not required to make any claims other than to say, 'I claim the invention as herein shown and described.' That was the practice up to, I think, 1870. It was supposed to be a simple thing. If you had an invention you could properly describe it well enough to meet the requirements of the Patent Office; that later it became apparent that a good many inventors could not do it well. *For many years they depended on models, required models of all inventions. That was the practice up to about 1880*, and the Patent Office got so filled up with models and the skill that was required to prepare an application had developed to such an extent that it could really be better presented in a good drawing and a good description than in a model. So they dispensed with models. But the idea of an application for a patent primarily was something that the inventor himself could put into the office."

While Mr. Greely's reference to 1880 may be accurate as to the practice before the Patent Office, section 26 of the Act of July 8,

gressed and property and society became more complex, a written patent application became essential. Thus a legal document came into existence to serve as a substitute for a physical model; and another area of the practice of law outside the courtroom was created, in turn requiring competent legal assistance outside the courtroom of a kind never before glimpsed.

At the same time a number of doubtful practices arose. But it was not until President Theodore Roosevelt came along at the close of the nineteenth century that anything of importance had been said or written in this country about ethics in connection with the legal or any other profession. However, he demanded decency, morality, honor, integrity and fair play by business generally, and he insisted that the public interest required the application of ethics in both business and professional life. Speaking before the Alumni of Harvard University in 1905, he said:

> "This nation never stood in greater need than now of having among its leaders men of lofty ideals, which they try to live up to and not merely talk of."

And he also said:

> "*The great profession of the law* should be that whose members ought to take the lead in the creation of just such a spirit. * * * Surely Harvard has the right to expect from her sons a high standard of applied morality, whether their paths lead them into public life, into business or into the

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1870, 16 Stat 201, later Rev. Stat. § 4888, for the first time required each patent application to be supported by a "written description," in which, among other things, the inventor "shall particularly point out and distinctly claim the part, improvement, or combination which he claims as his invention or discovery."

profession of law, whose members are so potent in shaping the growth of the national soul." (28 A.B.A. Rep. (1905) 383-4). (Emphasis added)

Largely because of this speech, in 1908 the American Bar Association prepared and adopted its Canons of Ethics. Within ten or twelve years, more than 200 ethical codes were adopted by many professional and business groups including, for example, The American Medical Society in 1912.

C. The Current Trend—An Increasing Prohibition of the Practice of Law by Unqualified Persons as the Frontier Recedes

Since about 1900 there appears to have been a steady trend in the direction of further prohibiting the practice of law by unqualified persons outside the courtroom. For prior to that time, the growth of the practice of law outside the courtroom had not at the same time been accompanied by any prohibition against the practice of law by lay agencies and corporations. However, soon the problem became so serious that the State legislatures began to deal with it. Thus, in 1909, the great industrial State of New York enacted Section 280 of the Penal Law, probably the first statute prohibiting corporations from practicing law. Since that time similar statutes have been enacted in the other states generally. See *State Bar Association* v. *Connecticut Bank and Trust Co.* (1958), 145 Conn. 222, 140 A. 2d 863, and the *Unauthorized Practice Statute Book* of the American Bar Foundation.

In 1917 the Appellate Division of the State of New York in *People* v. *People's Trust Co.* (2d Dept. 1917), 180 App. Div. 494, 167 N.Y. Supp. 767, had occasion to refer to "the growing tendency of corporations to enter the field of practicing law." And shortly after the

legal profession finally awoke, about 1930, to the growing evils of the practice of law outside the courtroom, the Supreme Court of Illinois in one of the great, landmark cases of unauthorized practice, *People* v. *People's Stock Yards State Bank* (1931), 344 Ill. 462, 176 N.E. 901, had occasion to point out that the corporation involved in that case had "transacted for its customers and others almost every form of legal business except the handling of divorce cases." (p. 903). It was found guilty of contempt and enjoined from practicing law in any respect.

In 1930 what is now the Standing Committee on the Unauthorized Practice of Law of the American Bar Association was formed. And in 1934 at the Annual Meeting of the American Bar Association, which was devoted to the subject of the "*Effect of the Unauthorized Practice of Law on the Administration of Justice,*" 59 A.B.A. 153, Mr. John A. Jackson of New York pointed out that the Committee on the Unauthorized Practice of Law "was created as the result of pressure from outside the Association." 59 A.B.A. 154.

Since 1930 and the formation of the American Bar Committee, many committees on unauthorized practice of State and local bar associations have been created, with the result that litigation began and a number of judicial decisions began to be handed down. While these decisions are not all harmonious, it appears to be fair to say that there has been a steady trend in the direction of increasingly prohibiting the practice of law outside the courtroom by unqualified persons, and of increasing concern on the part of the Courts with respect to the damage to the public, the thwarting of the control of the Courts over the practice of law and

the impairment of the sound administration of justice which takes place when persons not members of the Bar practice law.

Moreover, it is noteworthy that the whole problem of unauthorized practice stems, in part at least, from the original pioneer or frontier character of American society. By 1607, when the first settlers arrived in Virginia, the legal profession in England had become fairly well stabilized. That is, in 1235, Henry III had prohibited the study of law at any place in London other than the Inns of Court. See *Warren, "A History of the American Bar,"* p. 28; *Standards of Admission for Practice Before Administrative Agencies," A Report for the Survey of the Legal Profession,*[6] p. 25. And in 1606 it was provided by statute that admission to practice in the courts was limited to those brought up in the Inns of Court and who were "well practiced and skilled and of an honest disposition." *Warren, idem*, p. 29, *Standards of Admission, etc.*, p. 25.

In 1607, however, while the practice of law had become pretty well stabilized in England, America was a wilderness. And in Colonial America laymen were permitted to practice in the courts; and even the courts themselves were first composed of laymen. Thus in all the American colonies, the General Assembly or legislature at first constituted the sole court of law; and in many colonies it was not until half a century after settlement that separate and independent courts were established. Even then, with the possible exception of the Chief Justice, those courts were composed of laymen. It was not until the end of the Revolution that it was deemed necessary or even advisable to have

[6] Hereinafter referred to as "Standards of Admission, etc."

judges learned in the law. And as for the practitioners themselves, the word "attorney" as used in early records of Colonial cases and statutes, did not imply necessarily a man bred to the law or who made its practice an exclusive employment. These attorneys were very largely traders, factors, land speculators and laymen of clever penmanship and easy volubility whom parties employed to appear and talk for them in the courts. As late as 1758, John Adams complained that "he found the practice of law was grasped into the hands of deputy sheriffs, pettifoggers and even constables." *Warren, idem* 3, 4, 80. *Standards of Admission*, etc., 25, 26.

In a pioneer civilization, these things are understandable. But as the frontier recedes and society becomes more complex and law more intricate, a person seeking to advise the public on legal matters must have a constantly growing knowledge of law if the public is to be adequately served. Accordingly, the standards for admission to the Bar have steadily risen, and it has become correspondingly more important to protect the public from the dangers of permitting persons not members of the Bar to practice law. Moreover, even before federal administrative agencies there has been a recent trend away from permitting laymen to appear before Federal administrative agencies. *Standards of Admission, etc.*, pp. 16-18.

D. The Rising Requirements for Practicing Patent Law and the Evolving Requirement That Persons Practicing Patent Law Be Members of The Bar if the Public Is to be Protected

The considerations which led to the evolvement of the organized bar as the mechanism for excluding unqualified persons from the practice of law, are as significant in the field of patent law as elsewhere. For modern patent law is an intricate legal field. As set

forth in Appendix B, even the preparation of a patent application now includes making determinations as to a host of complex legal problems.

These problems are so intertwined that not one can be properly determined in the absence of a consideration of some, if not all, of the others.

Moreover, the field has now grown to be far more complex than in past years. It is presently burdened with greater refinements from within,[7] and with new legal doctrines and complicating factors from without (misuse, anti-trust, and special statutes and regulations pertaining to inventions subject to a secrecy order, or pertaining to developments in atomic power in space exploration). This increasing complexity in the field of patent law means that, to properly advise the public, a person must know a great deal more patent law than was necessary even 50 years ago. Accordingly, even if it could be argued that, in years gone by, there was no reason for having patent practitioners know more than a few rudimentary procedures that day is now long past.[8]

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[7] The only recognized *summary* of interference practice has now grown to four volumes, *Interference Law and Practice*, Rivise & Caesar, The Michie Co., 1947.

[8] For specific legislation on inventions subject to Secrecy Orders see 35 U.S.C. 181-188. See also specific statutory provisions relating to inventions in the Atomic Energy Act of 1954, Sections 151-158 (42 U.S.C. §§ 2181-2188), and in the National Aeronautics and Space Act of 1958, 42 U.S.C. § 2457. A Patent practitioner must be equipped to advise his client upon all of the ramifications of these statutes, as well as on the plethora of rules and regulations that have been promulgated thereunder.

Indeed, the breadth of development of the field of patent law in parallel with the development of other fields of law, has long since reached the stage wherein the public is entitled to demand that practitioners in this field be not merely "recognized" by a distant Patent Commissioner in Washington, D. C., but should have the broader knowledge in the patent field of law as a seamless web, afforded by patent practitioners who are members of the Bar.*

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* In the *amicus* brief filed by the American Association of Registered Patent Attorneys and Agents, pages 9-10, it is suggested that the preparation and prosecution of a patent application "do not require legal training." (p. 9). Insofar as this brief manifests the attitude of lay practitioners as a class it serves to demonstrate the need for higher standards if the public is to be protected.

POINT TWO

"THE RIGHT TO CONTROL AND REGULATE THE GRANTING OF LICENSE TO PRACTICE LAW IN THE COURTS OF A STATE IS ONE OF THOSE POWERS THAT WAS NOT TRANSFERRED TO THE FEDERAL GOVERNMENT."

A. In General

It is settled that "The right to control and regulate the granting of license to practice law in the courts of a state is one of those powers that was not transferred to the Federal Government," *Bradwell* v. *Illinois* (1873), 16 Wall. 130, 139, 21 L.Ed. 442.

To the same effect:

Theard v. *United States* (1957), 354 U.S. 278, 281, 1 L.Ed. 2d 1342, 77 S.Ct. 1274.

Ex Parte Secombe (1857), 19 How. 9, 15 L.Ed. 565.

Schware v. *Board of Bar Examiners* (1957), 353 U.S. 232, 1 L.Ed. 2d 796, 77 S.Ct. 752.

Martin v. *Walton* (1961), 368 U.S. 25, 7 L.Ed. 2d 5, 82 S.Ct. 1.

In Re Isserman (1953), 345 U.S. 286, 97 L.Ed. 1013, 73 S.Ct. 676.

In Re Summers, (1945), 325 U.S. 561, 89 L.Ed. 1795, 65 S.Ct. 1307.

Randall v. *Brigham* (1869), 7 Wall 523, 19 L.Ed. 285.

In Re Lockwood (1894), 154 U.S. 116, 38 L.Ed. 929, 14 S.Ct. 1082.

Cummings v. *Missouri*, 4 Wall. 277, 18 L.Ed. 356.

Saier v. *State Bar of Michigan* (CA 6, 1961), 293 F. 2d 756, cert. den. 368 U.S. 947, 7 L.Ed. 2d 343, 82 S.Ct. 388.

Starr v. *State Board of Law Examiners* (CA 7, 1947), 159 F. 2d 305.

Mitchell v. *Greenough* (CA 9, 1958), 100 F. 2d 184, cert. den. 306 U.S. 659; 83 L.Ed. 1056, 59 S.Ct. 788.

Emmons v. *Smitt* (CA 6, 1945), 149 F. 2d 869, cert. den. 326 U.S. 746, 90 L.Ed. 446, 66 S.Ct. 59.

And see Point Three, B, post p. 60.

In addition, "the right to admission to practice in the courts of a state" is not a privilege and immunity of the citizens of the United States, *Bradwell* v. *Illinois* (1873), 16 Wall. 130, 139, 21 L.Ed. 442.

In *Theard* v. *United States* (1957), 354 U.S. 278, 1 L.Ed. 2d 1342, 77 S.Ct. 1274, the Supreme Court of Louisiana had disbarred an attorney. The U.S. District Court for the Eastern District of Louisiana then ordered that the attorney be stricken from its rolls, and the Court of Appeals affirmed. On certiorari this court reversed, holding that "disbarment by Federal courts does not automatically flow from disbarment by state courts," for the District Court had apparently felt itself bound by the state court disbarment. Accordingly, this court remanded the case to the District Court, in accordance with the standards set forth in *Selling* v. *Radford*, 243 U.S. 46, 61 L.Ed. 585, 37 S.Ct. 377. However, in an opinion by Frankfurter, J., the following important statement was made with respect to the "*autonomous control*" by state judicatures of officers of their courts, including lawyers. Thus this Court, among other things, said (p. 281):

> "It is not for this court, except within the narrow limits for review open to this court, as recently canvassed, in *Konigsberg* v. *State Bar of California*, 353 U.S. 252, 1 L.ed. 2d 810, 77 S. Ct. 722, and *Schware* v. *Board of Bar Examiners*, 353 U.S. 232, 1 L.ed. 2d 796, 77 S. Ct. 752, to sit in judgment on Louisiana disbarments, and we are not in any event sitting in review of the Louisiana judgment.

> While a lawyer is admitted into a federal court by way of a state court, he is not automatically sent out of the federal court by the same route. The two judicial systems of courts, the state judicatures and the federal judiciary, *have autonomous control over the conduct of their officers, among whom, in the present context, lawyers are included. The court's control over a lawyer's professional life derives from his relation to the responsibilities of a court.* The matter was compendiously put by Mr. Justice Cardozo, while Chief Judge of the New York Court of Appeals. 'Membership in the bar is a privilege burdened with conditions' (Matter of Rouss, 221 N.Y. 81, 84, 116 N.E. 782). The appellant was received into that ancient fellowship for something more than private gain. *He became an officer of the court, and, like the court itself, an instrument or agency to advance the ends of justice." People ex rel. Karlin* v. *Culkin*, 248 N.Y. 465, 470, 471, 162 N.E. 487, 489, 60 A.L.R. 851. (Emphasis added)

B. The Fact that the Practice of Law Involves Federal Subject Matter does Not Diminish the Power of the State to Regulate It

The cases appear to universally hold that the power of the State to regulate the practice of law within the State is not diminished by the fact that the subject matter of such practice may be federal in character.

Here perhaps the leading case is *Ginsburg* v. *Kovrak* (1958), 392 Pa. 143, 139 A. 2d 889. Kovrak was admitted to practice before the United States Supreme Court, the Court of Appeals of the District of Columbia, and the United States District Courts of the District of Columbia and the Eastern District of Pennsylvania. He was not a member of the Pennsylvania Bar, but he set up an office in Philadelphia and advertised himself as "Attorney at Law. Proctor in Federal Tax-

ation." The Committee on the Unauthorized Practice of Law of the Philadelphia Bar Association then sued to enjoin Kovrak from unlawfully practicing law in the State. The Defendant's position was that "he has a legal right to practice law anywhere in the Eastern District of Pennsylvania with regard to any legal matter in which a Federal question was involved, no matter how remote." 139 A.2d 890. In enjoining the Defendant from practicing law in Pennsylvania, the Court among other things, said:

> "When a stranger comes to our community he must meet the standards set out by our people, just as our citizens must expect to meet the local standards if they go elsewhere to live and work. *No case has been suggested to us which holds that membership in the Bar of the United States Supreme Court entitles an attorney to practice anywhere in the United States without reference to local State requirements.* If we are not obliged to accept the man from Oregon merely because he may practice before the Supreme Court, neither should we have to accept the stranger from Pike County as a practicing lawyer merely because it is also within the Eastern District of Pennsylvania.
>
> "We do not presume to tell the Federal Courts whom they should or should not appoint as referees, special masters, amici curiae, and the like, for the prosecution of their work as they see it. That is a different matter from deciding what qualifications are needed by Pennsylvania citizens facing and affecting each other before the Bar in any court of law, State or Federal. In such matters we are State citizens before we are federal citizens, which is another way of saying that the States have not ceded to the Federal Government the right to qualify their lawyers." (Emphasis added.) Page 892.

* * * * * * * * *

"Merely because the Federal courtrooms are open does not mean that the Federal Courts have approved anyone as a qualified lawyer. The *most it means is that a man may practice there if he is qualified by local law.*" (Emphasis added.) Page 893

* * * * * * * * *

"It is readily apparent that the injunction is intended to, and does, prohibit only the maintenance of an office and the practice of law in Philadelphia County (and, of course, anywhere else in the Commonwealth of Pennsylvania). *It in no way affects the appellant's right to engage in the practice of law in Washington, D. C., or to try cases in the United States District Court for the Eastern District of Pennsylvania* or in any other federal court or jurisdiction where he may be entitled to practice." (Emphasis added.) Page 893

In *Richmond Association of Credit Men* v. *Bar Association* (1937), 167 Va. 327, 189 S.E. 153, the credit association was enjoined from practicing law in Virginia, "to include such acts of the credit association in handling its collections in bankruptcy." 189 S.E. 161.

Similarly in *Depew* v. *Wichita Ass'n of Credit Men* (1935), 142 Kan. 403, 49 P. 2d 1041, the Supreme Court of Kansas enjoined the Defendant from participating in bankruptcy proceedings in the Federal Court as part of the practice of law in Kansas. In turn, this Court declined to review the decision of the Supreme Court of Kansas by denying a writ of certiorari, 297 U.S. 710, 80 L.Ed. 997, 56 S.Ct. 574. To the same effect, see also *Meisel & Co.* v. *Nat'l Jewelers' Board of Trade*, 90 Misc. 19, 152 N.Y.S. 913 (affirmed without opinion, 173 App. Div. 889, 157 N.Y.S. 1133).

In addition, in *State Ex. Inf. McKittrick* v. *C. S. Dudley & Co.* (1937), 340 Mo. 852, 102 S.W. 2d 895, *cert. den.*, 302 U.S. 693, 82 L.Ed. 535, 58 S.Ct. 12, a

collection agency contended that to restrain collection of the purchase price of interstate sales would interfere with commerce between the States. The Court, however, held that the interstate feature did not justify the prosecution by the agency of assigned claims, and that a corporation could not practice law regardless of the source of the subject matter. It enjoined the agency from practicing law in any respect.

In Re Roel (1957), 3 N.Y. 2d 224, 144 N.E. 2d 24, appeal dismissed 355 U.S. 604, a Mexican lawyer asserting his right to practice Mexican law in the State of New York, and was enjoined from practicing law in that State.

C. Admission to Practice Before a Federal Tribunal Does Not Entitle One to Practice Law in a Particular State

1. Admission to practice before a Federal Court does not entitle one to practice in a particular state

Here again perhaps the leading case is *Ginsburg* v. *Kovrak* (1958), 392 Pa. 143, 139 A. 2d 889, *supra*, page 36. Kovrak was a member of the Bar of this Court and of Courts in the District of Columbia, and of the United States District Court for the Eastern District of Pennsylvania. The Supreme Court of Pennsylvania held that he could not practice law in the State of Pennsylvania inasmuch as he was not a member of the Pennsylvania Bar. The quotations given above, pages 37, 38, are also specially pertinent on this point.

And in *Petition of Kearney*, 63 S. 2d 630 (Florida 1953), extensively relied upon by the Court below, Kearney was duly admitted to practice before this Court, the Tax Court of the United States, and the Treasury Department. He was not a member of The

Florida Bar, but he sought permission to practice in Florida as "Federal Tax Counsel," with Court appearances to be limited to the Federal Courts and departments described. The Florida Supreme Court held that such practice would constitute the practice of law in Florida and that in order to engage in such practice Kearney would have to become a member of The Florida Bar "subject to the jurisdiction of this Court" (R. 56). In its opinion the Florida Supreme Court stressed Section 2, Integration Rule, which provides that no person shall engage in any way in the practice of law in the State unless he is an active member of The Florida Bar.

2. Admission to practice before a Federal Administrative Agency does not entitle one to practice law in a particular state

There are cases, *DePass* v. *B. Harris Wool Co.* 1940, 346 Mo. 1038, 144 S.W. 2d 146, *Auerbacher* v. *Wood* 1947, 139 N.J.E. 599, 53 A. 2d 800; *In re Lyon* 1938, 301 Mass. 30, 16 N.E. 2d 74; and *Noble* v. *Hunt* 1957, 95 Ga. 804, 99 S.E. 2d 345, which indicate that a state will not interfere with the *appearance* of a layman before a Federal administrative agency, where such appearance has been authorized by the agency. But the other state cases hold that admission to practice before a federal administrative agency does not entitle a person to practice law in a state, as distinguished from appearances before the agency.

There are two landmark cases in which State courts have so decided. In *Chicago Bar Association* v. *Kellogg*, 338 Ill. App. 618, 88 N.E. 2d 519 (1949), the Illinois Court of Illinois held that admission to practice before the Patent Office in 1918 did not authorize the practice of law relating to patents in Illinois by a "pat-

ent attorney" not a member of the Illinois bar. We quote from the opinion at length (88 N.E. 2d 519, 521-528) because it is so directly pertinent to our case.

> "The complaint charges substantially that the defendant maintains an office in the City of Chicago; that he is not licensed to practice law in the State of Illinois, but notwithstanding has for a long time engaged in, and continues to engage in, the practice of law and holds himself out as an attorney and induces, or attempts to induce, the public to believe that he is an attorney at law. The complaint itemizes a number of specific acts which it charges constitutes the practice of law, and prays that the defendant be restrained from a continuation of these specified practices.
>
> "The answer admits that defendant is a resident of Cook County and states that on December 16, 1918, while defendant resided in the City of Washington, the Commissioner of Patents of the Patent Office of the United States caused the name of the defendant to be duly registered on the Roster of Attorneys entitled to practice before it, and by virtue of such license he became entitled to perform certain services before the Patent Office and elsewhere.
>
> "Defendant's contention is based on his interpretation of the rules of the United States Patent Office in force in the year 1918 at the time of his registration in the United States Patent Office, the pertinent rule 17 then being as follows:
>
> "'*A register of attorneys will be kept in this office, on which will be entered the names of all persons entitled to represent applicants before the Patent Office in the presentation and prosecution of applications for patent.* * *
>
> "'(b) Any person not an attorney at law who is a citizen or resident of the United States who has had three years' experience in patent work under

the personal direction and supervision of a duly registered patent attorney * * * and who shall file proof to the satisfaction of the Commissioner that he is of good moral character and of good repute and possessed of the necessary legal and technical qualifications to enable him to render applicants for patents valuable service and is otherwise competent to advise and assist them in the presentation and prosecution of their applications before the Patent Office.'

* * * * * * * * *

"The decree found substantially as follows: that the defendant is not licensed to practice law in the State of Illinois or elsewhere, but on December 16, 1918 was registered to practice before the United States Patent Office; that about January, 1930, defendant moved to Chicago and opened offices at 35 East Wacker Drive, has maintained offices there continuously, and has practiced during all of such time as a patent attorney upon a paid basis; that from 1931 to 1941 he had as office associates men who had been admitted to the bar of the State of Illinois; that the stationery used in the early part of his practice described himself as an attorney without qualifications as to his limitations, and had associated with him as 'of counsel' men who were admitted to the bar of the State of Illinois; that his stationery was changed in 1941 to read, 'Patent Attorney' and 'Patent and Trade Mark Attorney'; that in several instances the defendant employed attorneys whom he paid for legal services from fees which he collected from his clients and that he employed attorneys for work to be done for clients whom such attorneys had never met and without the relationship of attorney and client ever having been established; that defendant in his correspondence has repeatedly held himself out as 'attorney at law' and that he has also participated as an attorney at law in legal proceedings; that the defendant

repeatedly construed patent licenses and gave opinions with respect to the infringement of patents and on at least one occasion wrote a letter charging a company with violation of, and infringement upon, certain patents of a client of defendant, threatening it with litigation; that defendant has been paid for legal services involved in the preparation of infringement opinions and has made a charge in relation to an infringement suit, including the study of patent claim, extension of time in which to file defendant's answer, study of license agreement and preparation of an answer in the infringement suit.

* * * * * * * * *

"The decree enjoins the defendant, his agents and employees from:

"'(1) Rendering legal opinions relating to infringement and enforcement of patents and trade marks;

"'(2) Preparing, drafting and filing pleadings and other legal documents and papers in suits at law and in equity in courts of record and before administrative tribunals, *other than the United States Patent Office;*

"'(3) Participating as an attorney in legal proceedings *other than United States Patent Office;*

"'(4) In behalf of persons represented by him, threatening to bring suit against other parties;

"'(5) Preparing and serving notice of and asserting attorney's lien under Section 14 of Chapter 13, Illinois Revised Statutes; and

"'(6) Charging and collecting fees for legal services rendered by him or rendered by him and by others in legal proceedings, *other than wherein the United States Patent Office has jurisdiction.*'

* * * * * * * * *

"We have come to the conclusion that the evidence before us clearly indicates that for a long period of time defendant was engaged in the unauthorized practice of law within the meaning of the Illinois authorities; *and we are of the opinion that the courts of the State of Illinois have the power to determine what contravenes its policy in this respect independent of any other authority.* Article I, Section 8, of the constitution of the United States, under which provision defendant claims his rights were violated, provides, 'The Congress shall have Power * * * To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries * * *.' *Defendant further maintains that the power to regulate patents was by an Act of Congress conferred upon the Department of the Interior at the time the license was issued to him, and that under its authorization the Patent Office was empowered to permit certain practitioners, including the defendant, to practice before it.*

"The fallacy of defendant's argument lies in the implication that the Patent Office had the right to permit the exercise of prerogatives which are forbidden under the laws of the State of Illinois as constituting unauthorized practice. No such authorization was issued by the United States Patent Office to defendant, nor was any power inherent in the Patent Office to permit defendant to practice law.

"Defendant argues that the United States Patent Office makes no distinction as to the rights or duties of attorneys at law and patent attorneys who were not attorneys at law, but who were admitted prior to the change in the rules; and that *patent attorneys who were not attorneys at law* and were admitted prior to the change *have the same rights, privileges, and duties as the patent*

attorneys at law who solely are admitted under the new rule. *With this proposition we thoroughly disagree. The Patent Office did not undertake to invest non-attorneys with the same rights, privileges, and duties as those had by attorneys at law in contravention of the well defined rulings of the courts of Illinois.* The police power and the procedure thereunder covering the enrollment and disbarment of lawyers and the punishment of unauthorized practitioners subject to its jurisdiction is a matter reserved for determination by the Judicial Department of the State of Illinois. As was said in Pennoyer v. Neff, 95 U.S. 714, at page 722, 24 L.Ed. 565:

"'* * * every State has the power to determine for itself the civil status and capacities of its inhabitants; to prescribe the subjects upon which they may contract, the forms and solemnities with which their contracts shall be executed, the rights and obligations arising from them, and the mode in which their validity shall be determined and their obligations enforced; and also to regulate the manner and conditions upon which property situated within such territory, both personal and real, may be acquired, enjoyed, and transferred. * * *'

* * * * * * * * * *

"The Patent Office, however, did not attempt to enlarge upon its authority as it never attempted to authorize defendant to practice law. *Rule 17 in effect prior to 1938 merely provided that, in the very limited field defined, qualified non-attorneys might represent applicants 'in the presentation and prosecution of applications for patents.' This is a far different proposition from the one for which counsel contends, namely, that non-attorneys at law have the same rights, privileges, and duties as patent attorneys at law. The injunctional order does not take away any constitutional rights of defendant because the defendant never*

had any right, either directly or indirectly, to practice law.

* * * * * * * * *

"Another consideration which weighs heavily with this court is the fact that up until the date of the filing of the bill in this case defendant used letterheads which would lead any layman who viewed them to conclude that defendant was a patent attorney vested with all the capabilities and privileges of an attorney at law. In a case of this kind, the general welfare of the public is of primary concern. The public are entitled to protection against unauthorized practitioners of the law, and the courts should lend a ready hand to suppress the evil by way of injunctional relief wherever it appears. The fact that the unauthorized practice may have been without malevolence, under a misapprehension as to rights, renders the menace none the less formidable nor the remedy by injunction none the less appropriate.

* * * * * * * * *

"From what we have heretofore said, it is obvious defendant has no right to charge or collect fees for legal services. *In restricting defendant's disability to charge and collect fees for legal services rendered in proceedings other than where the Patent Office has jurisdiction, the chancellor was in error*, and the cross-error of plaintiffs on this score is well assigned. *Defendant has no right to collect fees for legal services wherever rendered.*

"Plaintiff assigns cross-error on finding 18 of the chancellor, which finding is as follows:

"'18. The Court further finds that the defendant has been preparing, drafting and construing assignments, leases and other documents relating to letters patent. The rules of the United States Patent Office provide forms for the preparing of certain papers, including the assignment of patents, licenses for royalty and many other forms.

Whether such forms may be used and are intended for the use of Patent Attorneys, whether they are licensed to practice in a state or have a license similar to the license issued to the defendant, should properly be determined by the United States Patent Office. *In the preparation, drafting and construing of assignments, leases and licenses, the defendant has not been practicing law in violation of the law of the State of Illinois,*'

"*This finding of the decree, to which cross-error is assigned, is erroneous. The courts of the State of Illinois, and not the United States Patent Office, may determine what constitutes the illegal practice of law in this State.* The fact that the defendant used forms instead of original documents is not controlling upon the question of whether or not he was engaged in the practice of law. We have heretofore said that the preparing, drafting, and construing of assignments, leases, and other such documents relating to letters patent, constitute the practice of law; and insofar as the decree authorizes the preparation, drafting, and filing of pleadings anywhere, it is erroneous.

"Defendant in his answer has asserted that he has the right to perform certain specified services. In his reply brief he asserts that the only issue before this court is to determine whether or not he has the legal right to perform these acts. The issue before us is not what things defendant may do under the authority he claims from his license to appear before the United States Patent Office, but what things, if any, he has done in violation of the laws of the State of Illinois and what, from his past conduct, he may reasonably be expected to do in the future. . . .

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"Accordingly, the decree of the Superior Court is reversed and the cause is remanded with directions *to enter a decree which shall be without prej-*

udice to defendant's rights to advise and assist applicants for patents in the presentation and prosecution of their applications for patents before the United States Patent Office, but which shall enjoin the defendant from the following activities:

"1. *Giving legal advice;*

"2. *Preparing, drafting and construing legal documents,* contracts, including patent licenses and deeds, assignments and other evidences of transfer of title to or interests in patent and other property;

"3. *Rendering legal opinions,* including legal opinions relating to title to, and validity, infringement and enforcement of, patents and trade marks and rights therein and thereto;

"4. *Preparing, drafting and filing pleadings and other legal documents* and papers *in suits at law and in equity,* in courts of record and before administrative tribunals, *other than the Patent Office;*

"5. *Participating, as an attorney, in legal proceedings;*

"6. In behalf of persons represented by him, threatening to bring suit against other parties;

"7. Preparing and serving notice of and asserting attorney's lien under Section 14 of Chapter 13, Illinois Revised Statutes;

"8. *Charging and collecting fees for legal services rendered by him and rendered by him and others.*" (Emphasis added.)

While the court's decree expressly was "without prejudice to defendant's rights to advise and assist applicants for patents in the presentation and prosecution of their applicants before the United States Patent Office," the Florida Supreme Court pointed out that "Apparently the court was not asked to and did not enjoin the preparation of applications for

letters patent and of amendments to such applications. However, it did enjoin the charging of fees for legal services, including those wherein the Patent Office had jurisdiction." (R. 57) Also, it enjoined the "preparing, drafting and construing legal documents," *supra*, p. 28.

The Tax Field: Here the same question has been similarly decided. Here the contention was that recognition of an accountant to practice before the Treasury Department pursuant to the Act of July 7, 1884, 23 Stat. 236, 5 U.S.C. § 261 (which is virtually identical to Rev. Stat. § 487), included authorization to practice law relating to federal taxation in California. That suggestion was decisively rejected in *Agran* v. *Shapiro* (1954), 127 Cal. App. 2d 807, 273 P. 2d 619. There, the court denied recovery of a fee for legal services incident to federal taxation rendered in California by an accountant admitted to practice before the Treasury Department but not admitted to practice law in California, on the ground that the accountant was engaged in the unauthorized practice of law. Again, we quote from the opinion at length (273 P. 2d 619, 627-630) because of its pertinence to the question.

> "From what has been said, we would have but little hesitancy in concluding that the services rendered by plaintiff other than those involved in the preparation of the income tax returns and possibly others of an accounting character constitute the practice of law as that term has been judicially defined in this State. Kountz v. Rowlands, 1943, 46 Pa. Dist. & Co. 461, 463. The more serious questions which present themselves, however, are (1) whether the controlling test of what constitutes the practice of law in the field of federal income taxation is dictated by federal legislation, congressional or administrative, and (2) the effect of the federal regulations which have been adopted in

this field. Upon behalf of the plaintiff, it is urged by *amicus curiae* that an affirmative answer is required to the first inquiry and that, inasmuch as plaintiff was enrolled as an agent in the Treasury Department, and by virtue thereof licensed to practice before that Department, all of his activities in the instant case were within the scope of such license, and any action by a state court which would interfere with or curtail the right so granted is not only unwarranted but unconstitutional.

"By the Act of July 7, 1884, sec. 3, 23 Stats. 258, 5 U.S.C.A. § 261, the Secretary of the Treasury is authorized to prescribe 'regulations governing the recognition of agents * * * representing claimants before his departments * * *.' Pursuant to this statutory authority, the Secretary issued Circular 230 (now parts 10 and 13, Subtitle A, Tit. 31, Code Fed. Reg.), which insofar as material here reads as follows: 'An agent enrolled before the Treasury Department shall have the same rights, powers and privileges and be subject to the same duties as an enrolled attorney; *Provided*, that an enrolled agent shall not have the privilege of drafting or preparing any written instrument by which title to real or personal property may be conveyed or transferred for the purpose of affecting Federal taxes, nor shall such enrolled agent advise a client as to the legal sufficiency of such an instrument or its legal effect upon the Federal taxes of such client: *And provided further, That nothing in the regulations in this part shall be construed as authorizing persons not members of the bar to practice law.*' Code Fed. Reg., sec. 10.2(f), Tit. 31, Subtit. A, Part 10.

"Practice before the Treasury Department shall be deemed to comprehend all matters connected with the presentation of a client's interests to the Treasury Department, including the preparation and filing of necessary written documents, and correspondence with the Treasury Department relative to such interests. Unless otherwise stated, the term 'Treasury Department,' as used in this para-

graph and elsewhere in this part, includes any division, branch, bureau, office, or unit of the Treasury Department, whether in Washington or in the field, and any officer or employee of any such division, branch, bureau, office or unit. Id., sec. 10.2(b).

"In this connection also, reference should be made to Rule 2 of the former United States Board of Tax Appeals, 26 U.S.C.A. Int.Rev.Code, following sec. 5011, now Tax Court of the United States,[10] for the admission to practice, after examination, of citizens without restriction to members of the bar or certified public accountants, and the validity of such rule has been recognized. Goldsmith v. U. S. Board of Tax Appeals, 1926, 270 U.S. 117, 46 S.Ct. 215, 70 L.Ed. 494, 496; Crane-Johnson Co. v. Commissioner of Internal Revenue, 8 Cir., 1939, 105 F. 2d 740, 744. . . .

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"No case which we have been able to discover has undertaken to directly decide the precise question with which we are confronted, namely, whether the Treasury Regulations referred to have the effect of declaring that service performed by an enrolled agent in connection with federal income tax matters do not constitute the practice of law in the sense that such practice is prohibited, by state law, when engaged in by other than members of the bar. . . .

• • • • • • • • • •

"More closely in point and supporting plaintiff's position is De Pass v. B. Harris Wool Co., 1940, 346 Mo. 1038, 144 S.W. 2d 146, wherein plaintiff, a non-lawyer licensed to practice before the Interstate Commerce Commission, sought to recover for services rendered *before that body in certain rate reduction cases* on behalf of the defendant.

[10] 26 U.S.C.A. § 1111.

Defendant demurred upon the ground that the alleged contract called for services which, under the law of Missouri, constituted the practice of law, and hence plaintiff was barred from recovery. The Supreme Court of Missouri, though apparently of the view that, judged by Missouri law, the services in question constituted the practice of law, held that the question was foreclosed by the Rules of Practice of the Interstate Commerce Commission, 49 U.S.C.A. Appendix following sec. 1185, which permitted laymen licensed by it to practice before it. Says the court, 144 S.W. 2d at page 148: 'Defendant seems to argue that the right to define the practice of law and to regulate persons engaging in such practice falls within the police power of the state. So it does, except in so far as that right does not run contra to an Act "made in pursuance" to the Federal constitution.'

"It does not appear, however, that the rule of the Interstate Commerce Commission there involved contained any limitation with respect to the practice of law as does the Treasury Regulation under consideration.

"In re Lyon, 1938, 301 Mass. 30, 16 N.E. 2d 74, cited on behalf of plaintiff, and relied upon in De Pass v. B. Harris Wool Co., just considered by us, is, we believe, factually distinguishable. Moreover, it must be viewed in the light of the discussion in the more recent decision of the same court—Lowell Bar Ass'n v. Loeb, 1943, 315 Mass. 176, 52 N.E. 2d 27, wherein the court adverted to but did not undertake to determine the effect of the Treasury Regulations previously referred to. The court there said, 52 N.E. 2d at page 33: *'Neither do we consider at this time whether the permission granted to certified public accountants and other persons not members of the bar to practise in tax matters by the rules of the United States Treasury Department and of* the administrative tribunal (Helvering v. Rankin, 295 U.S. 123, 131, 55 S.Ct.

732, 79 L.Ed. 1343; Higgins v. Commissioner of Internal Revenue, 312 U.S. 212, 61 S.Ct. 475, 85 L.Ed. 783) now called *the Tax Court* of the United States, *can have the effect of granting by implication to holders of "Treasury enrollment cards" a right to perform in this Commonwealth services in connection with Federal taxes which in their nature are comprised in the practice of law.* It may deserve consideration whether the rules of a Federal administrative tribunal can legalize acts done in the States in matters not actually before the tribunal, though of a class that might eventually come before it. Matter of Lyon, 301 Mass. 30, 34-36, 16 N.E. 2d 74; De Pass v. B. Harris Wool Co., 346 Mo. 1038, 144 S.W. 2d 146.'

"*We are convinced that the effect of the Treasury Regulations is to declare that acts constituting the practice of law in the accepted sense could lawfully be performed by non-members of the bar, we would entertain the same doubts as those suggested by the Supreme Judicial Court of Massachusetts* in the portion of the opinion quoted above. Cf. Chicago Bar Ass'n v. United Taxpayers of America, 1941, 312 Ill.App. 243, 38 N.E. 2d 349, holding the rule of Department of Finance permitting non-lawyers to appear before it in behalf of taxpayers void insofar as it purported to authorize such to perform acts constituting practice of law. *We do not, however, believe that the regulations in question were intended to or have the effect contended for on behalf of plaintiff. We regard as highly significant the concluding clause in section 10.2(f) 'that nothing in the regulations in this part shall be construed as authorizing persons not members of the Bar to practice law.'* This statement must be read in context with the opening sentence of the section providing that 'An agent enrolled before the Treasury Department shall have the same rights, powers and privileges * * * as an enrolled attorney' and as qualifying the same. As ad-

mittedly the Treasury Department is without authority to prescribe the rights and privileges to be exercised by persons except those appearing before it upon behalf of others, this provision could only have been intended as a disavowal of any intent upon the part of the Secretary of the Treasury to confer authority upon enrolled agents, not members of the bar, to perform acts upon behalf of others in connection with matters before the department which would otherwise constitute the practice of law. We cannot subscribe to the argument advanced upon behalf of the plaintiff that this provision was merely 'a catch-all clause designed to prevent enrolled agents from holding themselves out as general attorneys' and 'to limit the authority granted an enrolled agent to the precise field of Federal income taxation.' Rather it suggests a recognition that 'practice before the Treasury Department,' while it may include acts which do not constitute the practice of law, and hence within the authority of enrolled agents, though not lawyers, to perform, also comprehends others of such character as to bring them within this classification. See Petition of Kearney, Fla. 1953, 63 So. 2d 630.

"In essence plaintiff's contention is that the effect of the Treasury Regulations is to declare that an enrolled agent, though not a lawyer, may, in the representation of others in tax matters before the Treasury Department, lawfully perform all of the services which a member of the bar is authorized to perform except 'the privilege of drafting or preparing any written instrument by which title to real or personal property may be conveyed or transferred for the purpose of affecting Federal taxes' or advising 'a client as to the legal sufficiency of such an instrument or its legal effect upon the Federal taxes of such client.' If this be true, we see no reason for the concluding proviso in 10.2(f), disavowing any intent to there-

by authorize non-lawyers to perform acts in connection with tax matters before the Department which would constitute the practice of law." (Emphasis added.)

In the second *Agran* case, decided September 20, 1956 (Unauthorized Practice News, Volume XXII, December, 1956, No. 4, page 34) the California Court, among other things, made the following potent statement:

"Reduced to its simplest form, plaintiff's argument in effect is this: by virtue of the Treasury Regulation (31 C.F.R. 10.2) an enrolled agent though a non-lawyer is at liberty to perform any and all services and give advice upon legal questions which constitute the practice of law, within the meaning of that term as generally understood so long as the work is performed or the advice is given in connection with a matter involving or arising under the federal Internal Revenue Code and pending before the Treasury Department. This is pointed up by plaintiff's suggestion that the decision in the *Bereu case* (78 N.Y.S. 2d 209) would have been different if the respondent there had been enrolled (which he was not) as an agent by the Treasury Department, but if that court was correct, as we believe it was, in concluding that the services rendered by Mr. Bereu constituted the practice of law, the necessary effect of plaintiff's argument is that a state may not regulate the practice of law within its borders by prohibiting laymen from practicing law at least insofar as relates to matters and questions arising under Internal Revenue Code so that what constitutes the practice of law no longer depends upon what is done but by whom. If this be true, the same act which would constitute the practice of law under the law of this State if performed here and which if performed by a non-lawyer not en-

rolled as an agent by the Treasury Department would subject him to criminal prosecution, would not constitute the practice of law if performed by a non-lawyer so enrolled. *To accept the plaintiff's argument would simply mean that the individual States are in effect deprived of their traditional and long recognized right to regulate the practice of law within their borders at least insofar as such practice involves matters of so-called 'tax law.'* If this is to be the rule we feel it should be announced by some higher authority.

"Nothing said herein or in our previous opinion implies a holding, as plaintiff seems to think, that the Treasury Department may not prescribe the qualifications of those whom it will recognize as agents or attorneys of others having business with the Department but rather that *by such recognition it may not confer upon persons who are not members of the bar authority to perform services within a State which, under its laws, constitute the practice of law in violation of that State's laws.*" (Emphasis added.)

In *In Re Bercu* (1948), 273 App.Div. 524, 78 N.Y.S. 2d 209, 9 A.L.R. 2d 787, affirmed 299 N.Y. 728, 87 N.E. 2d 451, the New York Court recognized that admission by an accountant to the Treasury Department did not give him a right "to practice tax law at large," saying:

"We are unable, therefore, to regard the admission of accountants, subject to certain qualifications and regulations of the Treasury Department and the Tax Court, to practice before these agencies, as an authorization to accountants to practice tax law at large or as an eradication of the distinction between the lawyer's and the accountant's function in the tax field."

Other cases in which the courts have recognized that admission to practice before Federal agencies does not

constitute a license to practice law without compliance with State regulation of the practice of law include the following:

Petition of Kearney (Fla. 1953), 63 So. 2d 63 (practice before the Treasury Department pursuant to 5 U.S.C. § 261, does not authorize practice of federal tax law in Florida).

In re Gibbs (Arizona 1929), 278 P. 371 (practice before the Interior Department pursuant to 5 U.S.C. § 493 does not authorize Arizona member of the bar to solicit such practice).

POINT THREE

WHERE VESTED WITH JUDICIAL POWER, THE COURTS ALONE HAVE THE RIGHT TO ADMIT PERSONS TO THE BAR AND TO DISBAR, AND TO DEFINE THE PRACTICE OF LAW AND TO EXCLUDE UNAUTHORIZED PERSONS THEREFROM. THE LEGISLATURE HAS NO POWER TO AUTHORIZE PEOPLE TO PRACTICE LAW

A. The Courts Vested with Judicial Power Have the Right to Admit to the Bar and to Disbar

As with the Constitution of the United States, State constitutions generally vest the judicial power of government in the Courts; and where the judicial power is vested in the courts, it is the universal weight of authority that, as an incident of judicial power, the courts have authority to admit to the Bar and disbar.

Thus in *Ex Parte Garland*, 4 Wall. (1867) 333, 18 L.Ed. 366, Garland made a motion for leave to practice as an attorney and counselor of this Court. The Congress, however, by act of January 24, 1865, had undertaken to impose a requirement of its own as a qualification for the right of an attorney and counselor of this Court to continue to practice in it. This qualification was a test oath, that the applicant had never "sought nor accepted, nor attempted to exercise, the functions of any office whatever . . . in hostility to the United States," etc. In fact, Garland had been a leading citizen in Arkansas and had been a member of the State Senate of the Confederate State of Arkansas, and a member of the Congress of the Confederacy, during the Rebellion. But in July 1865, he received from the President of the United States a full pardon for all offenses committed by his participation therein. Accordingly, Garland produced his pardon, and moved for leave to continue to practice as an attorney and

counselor of the Court without making the oath required by the act of January 24, 1865.

This Court granted the motion. It held that the admission of attorneys of this Court is the "*exercise of judicial power*" (4 Wall. 379), for which Congress could not prescribe qualifications. Thus, this Court, in an opinion by Mr. Justice Field, among other things, said (p. 379):

> "Attorneys and counselors are not officers of the United States; they are not elected or appointed in the manner prescribed by the Constitution for the election and appointment of such officers. They are officers of the court; admitted as such by its order, upon evidence of their possessing sufficient legal learning and fair private character. It has always been the general practice in this country to obtain this evidence by an examination of the parties. In this court the fact of the admission of such officers in the highest court of the states to which they respectively belong, for three years preceding their application, is regarded as sufficient evidence of the possession of the requisite legal learning, and the statement of counsel moving their admission sufficient evidence that their private and professional character is fair. The order of admission is the judgment of the court that the parties possess the requisite qualifications as attorneys and counselors, and are entitled to appear as such and conduct causes therein. From its entry the parties become officers of the court and are responsible to it for professional misconduct. They hold their office during good behavior, and can only be deprived of it for misconduct ascertained and declared by the judgment of the court after opportunity to be heard has been afforded. *Ex parte Heyfron*, 7 How. (Miss.) 127; *Fletcher* v. *Daingerfield*, 20 Cal. 430. *Their admission or their exclusion is not the exercise of a*

mere ministerial power. It is the exercise of judicial power, and has been so held in numerous cases."

The Court then cited several State cases so holding.

Theard v. *United States* (1957), 354 U.S. 278, 1 L.Ed. 2d 1342, 77 S.Ct. 1274 and *Ex Parte Secombe* (1857), 19 How. 9, 15 L.Ed. 565, *supra* p. 34, are to the same effect.

The State cases hold similarly that, where the judicial power of the sovereign is vested in the Courts, the Courts have the authority to admit to the Bar and to disbar. See the cases cited in the next section, B.

B. "Authority to Admit to the Bar and to Disbar Necessarily Carries With It Power to Define What Constitutes the Practice of Law and to Exclude Unauthorized Persons Therefrom"

The quotation in the heading is from the leading case of *Rhode Island Bar Association* v. *Automobile Service Association* (1935), 55 R.I. 122, 179 A. 139, 142. Again, it is the universal weight of authority that, when the judicial power is vested in the Courts, carrying with it the right to admit persons to practice law, such power also carries with it the power to define what constitutes the practice of law and to exclude unauthorized persons therefrom. State legislatures—and also Congress—have no power to authorize people to practice law.

Thus, in *In Re Opinion of the Justices* (1935), 289 Mass. 607, 194 N.E. 313, which is frequently cited on this point, the Supreme Court of Massachusetts rendered an advisory opinion to the State Senate on the question as to whether it was "constitutionally competent" Legislature to enact legislation admitting or forbidding corporations or others to practice law outside the courts of Massachusetts. In answering this ques-

tion in the negative, the Court, among other things, said:

> "It is inherent in the judicial department of government under the Constitution to control the practice of the law, the admission to the bar of persons found qualified to act as attorneys at law and the removal from that position of those once admitted and found to be unfaithful to their trust. While the judicial department cannot be circumscribed or restricted in the performance of these duties, appropriate and essential assistance in discharging them may be afforded by the enactment of statutes. As the questions are framed and as a general proposition, *valid permission to practice law cannot be given by the General Court* except subject to the requirements for admission to the bar established by the judicial department. Opinion of the Justices, 279 Mass. 607, 180 N.E. 725, 81 A.L.R. 1059." (p. 316) (Emphasis added)

In another leading case, *People* v. *People's Stock Yards State Bank* (1931), 344 Ill. 462, 176 N.E. 901, *supra*, a bank, which was practicing law in the real estate and other fields, was found guilty of contempt of Court for engaging in the practice of law and enjoined from continuing to do so. The Court, among other things, made the following cogent statement, which has been frequently quoted or referred to:

> "Under the Constitution of this state, the judicial power is vested solely in the courts. Const. art. 6 par. 1, and article 3; Missouri River Telegraph Co. v. First Nat. Bank, 74 Ill. 217; in re Day, 181 Ill. 73, 54 N.E. 646, 50 L.R.A. 519. Included in this grant are all powers necessary for complete performance of the judicial functions. State of Illinois v. Illinois Central Railroad Co., 246 Ill. 188, 92 N.E. 814. Although the Constitution does not expressly confer upon this court

power and jurisdiction with respect to the admission of attorneys to practice law, such power and jurisdiction are necessarily implied and are inherent in this court. In re Day, supra. As a part of such inherent power, this court may not only determine the educational and moral qualifications of applicants for admission to the bar, but may also discipline or disbar attorneys for misconduct. People v. Chamberlain, 242 Ill. 260, 89 N.E. 944; People v. Czarnecki, 268 Ill. 278, 109 N.E. 14. Attorneys are officers of this court, and their conduct as such is subject to supervision by it. They are, in effect, a part of the judicial system of the state. In re Day, supra. People v. Czarnecki, supra; Ex Parte Secombe, 19 How. 9, 15 L. Ed. 565; Ex parte Wall, 107 U.S. 265, 2 S.Ct. 569, 27 L.Ed. 552. The power to prescribe the qualifications which will entitle an applicant to be admitted to the bar is judicial, as is also the power to discipline or disbar attorneys for professional misconduct either in court proceedings or their relations with clients outside of court." (p. 905)

"Having inherent and plenary power and original jurisdiction to decide who shall be admitted to practice as attorneys in this state, this court also has all the power and jurisdiction necessary to protect and enforce its rules and decisions in that respect. Having power to determine who shall and who shall not practice law in this state, and to license those who may act as attorneys and forbid others who do not measure up to the standards or come within the provisions of its rules, it necessarily follows that this court has the power to enforce its rules and decisions against offenders, even though they have never been licensed by this court. Of what avail is the power to license in the absence of power to prevent one not licensed from practicing as an attorney? *In the absence of power to control or punish unauthorized persons who presume to practice as attorneys and officers of*

this court the power to control admissions to the bar would be nugatory. And so it has been held that the court, which *alone* has authority to license attorneys, has as a necessary corollary ample implied power to protect this function by punishing unauthorized persons for usurping the privilege of acting as attorneys." (p. 906) (Emphasis added).

In *Bump* v. *District Court of Polk County* (1942), 232 Iowa 623, 5 N.W. 2d 914, a non-lawyer was found guilty of the unauthorized practice of law. The Court, among other things, said:

"Under the Constitution of Iowa, vesting judicial power exclusively in the courts, Article V, Section 1, and Section 12542 of the Code, the courts of this State are vested with complete authority to punish by contempt proceedings unlawful practice. See, also Johnson v. Purcell, supra, and cases cited therein.

"It is stated in Brand's 'Unauthorized Practice of the Law' (1937) at p. 12: 'The inherent power of the courts as to contempt and disbarment has been consistently recognized since a nearly date. In 1899, the principle of inherent judicial power was sustained as to bar admissions,' citing In re Day (1899), 181 Ill. 73, 54 N.E. 646, 50 L.R.A. 519. 'Subsequently it was judicially applied to ambulance chasing and to the unauthorized practice of the law,' citing among many others In re Morse (1924), 98 Vt. 85, 126 A. 550, 36 A.L.R. 527; People ex rel. Illinois State Bar Assn. v. People's Stock Yards State Bank (1931), 344 Ill. 462, 176 N.E. 901; Unger v. Landlords' Management Corp., 114 N.J. Eq. 68, 168 A. 229; State ex rel. Boynton v. Perkins, 138 Kan. 899, 28 P. 2d 765; Fitchette v. Taylor, 191 Minn. 582, 254 N.W. 910, 94 A.L.R. 356; Rhode Island Bar Assn. v. Automobile Service Assn. (1935), 55 R.I. 122, 179 A. 139, 100 A.L.R.

226; In re Opinion of the Justices (1935), 289 Mass. 607, 194 N.E. 313; Meunier v. Bernich, La. App., 170 So. 567; State ex rel. Wright v. Barlow (1936), 131 Neb. 294, 268 N.W. 95; Richmond Assn. of Credit Men, Inc. v. Bar Assn. of City of Richmond (1937), 167 Va. 327, 189 S.E. 153; State ex rel. Freebourn v. Merchants' Credit Service, Inc. (1937), 104 Mont. 76, 66 P. 2d 337; People ex. rel. Chicago Bar Assn. v. Goodman (1937), 366 Ill. 346, 8 N.E. 2d 941, 111 A.L.R. 1" (p. 917).

The following more recent cases are to the same effect, most of them appearing subsequent to the publication of Brand's "*Unauthorized Practice of the Law*" in 1937.

Grand Rapids Bar Assn. v. *Denkema* (1939), 290 Mich. 56, 287 N.W. 377;

State v. *Kark* (1937), 133 Neb. 625, 276 N.W. 380;

State Bar Assn. v. *Connecticut Bank & Trust Co.* (1958), 145 Conn. 222, 140 A. 2d 863;

Nelson v. *Smith* (1944), 107 Utah 382, 154 P. 2d 634;

Washington State Bar Assn. v. *Washington Assn. of Realtors* (1952), 41 Wash. 2d 697, 251 P. 2d 619;

Clark v. *Austin* (1937), 340 Mo. 467, 101 S.W. 2d 977;

In re Lavine (1935), 2 Cal. (2d) 324, 41 P. 2d 161;

In re Baker (1951), 8 N.J. 321, 85 A. 2d 505;

Arkansas Bar Assn. v. *Union Natl. Bank* (1954), 224 Ark. 48, 273 S.W. 2d 408;

Opinion of the Justices (1932), 279 Mass. 607, 180 N.E. 725;

Curry v. *Dahlberg* (1937), 341 Mo. 897, 110 S.W. 2d 742;

Gardner v. Conway (1951), 234 Minn. 468, 48 N.W. 2d 788;

New Jersey State Bar Assn. v. *Northern N.J. Mtg. Assn.* (1956), 22 N.J. 184, 123 A. 2d 498;

West Virginia State Bar v. *Earley* (1959), 144 West Va. 504, 109 S.E. 2nd 420.

The foregoing cases are clear that, under the doctrine of separation of powers in American constitutional theory generally, only the Courts vested with judicial power may admit to the Bar and disbar, and define what constitutes the practice of law and exclude unauthorized persons therefrom.

Conversely, under the separation of powers, a State legislature—or Congress—may assist the judiciary with statutes prohibiting unauthorized practice, but may *not* exclude the judiciary from or interfere with its exercise of Constitutional power to regulate and define what constitutes the practice of law, and to exclude unauthorized persons therefrom. This is pointed out in *Opinion of the Justices* (1935), 289 Mass. 607, 194 NE 313, *supra*. And in *Meunier* v. *Bernich* (La. App. 1936), 170 So. 567, a statute excepting lay adjusters from the regulation of the practice of law was held unconstitutional as a violation of the separation of powers of the Louisiana Constitution. Other cases to the same effect are:

State ex rel. Wright v. *Barlow*, 131 Neb. 284, 268 N.W. 95 (1936); 132 Neb. 166, 271 N.W. 282 (1937).

Grievance Committee v. *Dean*, 190 S.W. 2d 126 (Tex. Civ. App. 1945)—legislature may pass stat-

utes in aid of the judiciary but cannot exclude the judiciary from its constitutional power to regulate and define practice of law.

Grievance Committee v. *Corgell*, 190 S.W. 2d 430 (Tex. Civ. App. 1945).

Appeal of Cichon, 227 Wis. 62, 278 N.W. 1 (1938).

People ex rel. Chicago Bar Ass'n v. *Motorists Ass'n*, 354 Ill. 595, 188 N.E. 827 (1933).

Washington State Bar Ass'n v. *Wash. Ass'n of Realtors*, 41 Wash. 2d 697, 251 P.2d 619 (1952).

Accordingly, neither a State legislature—nor Congress—has the power to authorize people to practice law. That power rests solely in the Courts vested with judicial power.

C. Neither the Legislature Nor an Administrative Agency May Authorize a Person to Practice Law Before the Agency

It appears to be the universal weight of authority that, where the judicial power is vested in the Courts, neither the State legislature nor a State administrative agency may authorize a person to practice law before the agency.

In *State of Wisconsin* v. *Keller*, 16 Wis. 2d 377, 114 N.W. 2d 796 (1962), petition for *certiorari* filed Oct. 12, 1962, 31 U.S. Law Week 3104 (No. 429, Oct. Term, 1962), the respondent below, not a member of the Wisconsin Bar but a licensed practitioner before the Interstate Commerce Commission and the Public Service Commission of Indiana, was enjoined from practicing law before the Wisconsin Public Service Commission notwithstanding that the relevant Wisconsin statute and rule authorized laymen to represent persons before the Public Service Commission. The court below found respondent's unauthor-

ized activities to include the following (114 N.W. 2d 796, 799, 800):

> "... Respondent, admittedly not a member of the Wisconsin bar, has engaged in considerable activity before the Wisconsin Public Service Commission for the past seven years. He has made applications to the P.S.C. in behalf of his clients for authority to conduct teaching operations, handled proceedings on behalf of teachers with respect to several applications, appeared before the P.S.C. on behalf of various teachers and in opposition to the granting of permits to other teachers. In the course of these proceedings respondent has examined witnesses and taken such steps as necessary to make a record upon which formal action may be taken by the commission adjudicating the rights of the parties."

The statute involved authorized the Public Service Commission "to adopt rules to govern its proceedings." Pursuant thereto, the Public Service Commission had adopted rules of practice authorizing persons appearing before it to be represented by an "agent or attorney."

In answer to respondent's contentions that practice was authorized by this statute and also by the fact of his license to practice before the Interstate Commerce Commission and Public Service Commission of Indiana, the court stated, among other things, the following (114 N.W. 2d 796, 801):

> "*The Legislature's creation of the Public Service Commission does not in any way supersede the exclusive power of the judiciary,* ultimately residing in the Supreme Court, to *determine what is or is not the practice of law and to restrict such practice to persons licensed by the court to engage in it.* For purposes at least, accepting respondent's

interpretation of the scope of the P.S.C. Rule 2.32, the *Commission can listen to or be advised by anyone it likes on any matter coming before that body. But its tolerance does not avert the consequences* to *an individual who is guilty of practicing law without a license. The admission of a person to practice law is constitutionally an exclusive power of the court and the attempt to exercise it by the Legislature itself (or its agency) is unconstitutional and void. . . .*

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"In like manner the Public Service Commission may countenance appearances before it by laymen but it *may not by any rule or otherwise empower any person not licensed to practice law* to practice before it, or to *grant immunity to one who does. We hold, further, that the alleged lawfulness* of *respondent to engage in similar activities* in *other jurisdictions, such as in the State of Indiana or before the Interstate Commerce Commission, is immaterial in the case at bar.* Respondent's activities in Wisconsin and his compliance or the lack of it with Wisconsin law are the controlling facts and the law applicable. *Foreign bodies can no more authorize persons unlicensed in this state to practice law here than could the Public Service Commission of Wisconsin."* (Emphasis added).

In *Hoffmeister* v. *Todd* (Mo. 1961), 349 S.W. 2d 5, Todd, a layman, was charged with unlawful practice of law before the divisions of Workmen's Compensation and of Employment Security of the Missouri Department of Labor and Industrial Relations. The court held that his activities before these agencies constituted the practice of law for which he was held in contempt of court, fined $250 and enjoined from continuing such practice. His defense that his activities before the Division of Employment Security was au-

thorized by statute was overruled. In so holding, the court stated, among other things, the following (349 S.W. 2d 5, 16, 17):

> "Wholly apart from statute, Todd has been practicing law. . . . He has long engaged in the business of, and *has held himself out* as being capable of advising members of the public as to their rights under the Workmen's Compensation law including the evaluation of their claims, legally and otherwise, and he has regularly negotiated and brought about, through his advocacy, compromise settlements of a multitude of such claims. This can be nothing other than the practice of law. . . .
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> ". . . We recognize full well this profusion of administrative tribunals, of lay 'experts' and specialists, and of multiplied governmental function; many of course are federally created and operate under federal laws and regulations. These developments, from whatever perspective we view them, have not relieved or deprived this court of its inherent duty and power to determine what is and what is not the practice of law. . . .
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> "Todd's activities in the field of Employment Security may be considered very briefly. He regularly attended and participated in various hearings of record before Appeals Referees and advised employees as to what their rights are under the Unemployment Compensation law. . . . There can be no substantial doubt that this was the practice of law. Todd's reliance upon [the statute and rule thereunder authorizing claimants to be represented by counsel or other duly authorized agent] is wholly unavailing. In so far as that subsection of the statutes purports to permit a layman to appeal before these tribunals as a 'duly

> authorized agent,' and to do there what we deem to be the practice of law, it is wholly void, as is the rule enacted thereunder."

In *People* v. *Goodman* (1937), 366 Ill. 346, 8 N.E. 2d 941—a leading unauthorized practice case—Goodman was not a lawyer. However, he practiced before the Industrial Commission of Illinois, a State administrative agency. The Industrial Commission had adopted a rule permitting a party to appear before it by his "attorney or agent" and had permitted Goodman, as "agent" of a claimant, to appear before the Commission and try cases there. The Supreme Court of Illinois, however, held that neither the State legislature nor an administrative agency could "grant a layman the right to practice law" and adjudged Goodman in contempt of Court for having engaged in the unauthorized practice of law. The Court, among other things, said, page 945:

> "[8] It is urged that the practice by the respondent before the Industrial Commission is before an administrative body, and that the respondent, therefore, is not practicing law because he is not before a court. That precise question is one of first impression in this court. It is elementary that a great portion of the present-day practice of law is conducted outside the courtroom. The respondent urges that because the legislative act relating to the Industrial Commission grants to that body the right to promulgate rules governing the procedure before it, and the commission has adopted a rule permitting a party to appear before it by his attorney or 'agent,' he, as agent of the claimant, may lawfully appear before the commission as the representative of the client and try his claim there. Even though the Industrial Commission is merely an administrative body, yet, if what the respondent did for a fee, in the presentation

> of and hearing of a petitioner's claim before that body, amounted to the practice of law, a rule of the commission purporting to grant him that privilege is of no avail to him. *The General Assembly has no authority to grant a layman the right to practice law.* In re Day, supra. It follows that *any rule adopted by the Commission, purporting to bestow such privileges upon one not a duly licensed attorney at law, is void.* Nor can the General Assembly lawfully declare not to be the practice of law, those activities the performance of which the judicial department may determine is the practice of law." (Emphasis added.)

In another Illinois case, *Chicago Bar Association* v. *United Taxpayers of America* (1941), 312 Ill.App. 243, 38 N.E. 2d 349, the Court held a rule of the Department of Finance permitting non-lawyers to appear before it on behalf of taxpayers was void insofar as it purported to authorize non-lawyers to engage in the practice of law.

In another leading case, *Clark* v. *Austin* (1937), 340 Mo. 467, 101 S.W. 2d 977, the Respondents were engaged in practice before the Public Service Commission of Missouri, where they appeared and tried motor vehicle cases. The Court held that "whether or not one is engaged in the practice of law depends upon the character of acts he performs and not the place where he performs them." 101 S.W. 2d 983; that this applied to the practice of law outside the Courtroom as well as in it (page 984); and the fact that laymen had practiced before the Public Service Commission from the date of its creation was immaterial. The Court adjudged each of the Respondents in contempt of Court for having engaged in the unauthorized practice of law.

In *State ex rel. Johnson* v. *Childe* (1941), 139 Neb. 91, 295 N.W. 381, the defendant also represented motor carriers before the Railway Commission, a constitutional tribunal. The Court held that neither the State statutes nor the rules of the Railway Commission issued under their grant could authorize the practice of law by a layman before an administrative agency. The Court, among other things, said, page 383:

> "These sections of the statute convey broad powers upon the railway commission with reference to its procedure, but *they do not authorize one not admitted to the bar to engage in the practice of law. The determination of the persons to be licensed to practice law is a judicial function over which the courts have exclusive control.* The issue therefore resolves itself into the question whether the acts performed by respondent amounted to the practice of law." (Emphasis added.)

In *Appeal of Bailey* (1956) (Ohio App. 1956), 137 N.E. 2d 528, the Ohio Court enjoined appellant, who was not a lawyer, from representing persons and firms before the Bureau of Unemployment Compensation and Board of Review, such practice constituting the unauthorized practice of law.

In *State ex rel. Daniel* v. *Wells* (1939), 191 So.Car. 468, 5 S.E. 2d 181, the Court also enjoined a layman from practicing before the State Industrial Commission. It held that the State Industrial Commission's rule making power did not authorize laymen to practice law.

POINT FOUR

WHAT ACTS CONSTITUTE THE PRACTICE OF LAW IN FLORIDA IS A MATTER OF STATE LAW DECIDED BY THE FLORIDA SUPREME COURT, NOT SUBJECT TO REVIEW BY THIS COURT

It appears to be elementary that this Court will recognize the decisions of the highest court of a State on matters of State law. *Greenough* v. *Tax Assessors* (1947), 331 U.S. 486, 91 L.Ed. 1621, 67 S.Ct. 1400. What acts in this case constitute the practice of law in Florida is a question of State law. Accordingly, the decision of the Florida Supreme Court as to the acts which constitute the practice of law in Florida should be accepted by this Court. Indeed, this is not contested by Petitioner, and the United States has acquiesced therein (brief p. 9).

However, in the event that the Court is interested in further analyzing the legal character of the acts enjoined by the Florida Supreme Court, particularly the preparation of patent applications, such an analysis is set forth in Appendix B hereof.

POINT FIVE

CONGRESS HAS NOT ATTEMPTED TO AUTHORIZE THE COMMISSIONER TO AUTHORIZE THE PETITIONER TO PRACTICE LAW RELATING TO PATENTS, BUT ONLY TO PREVENT INCOMPETENT AND DISREPUTABLE PERSONS FROM REPRESENTING INVENTORS BEFORE THE PATENT OFFICE.

A. The Statute On Its Face Is Essentially of a Housekeeping Character and Does Not Purport to Authorize Anyone to Practice Patent Law:

In 1928, when Petitioner was registered by the Patent Office as a "patent attorney," practice before the Patent Office was governed by section 487 of the Revised Statutes as amended by section 3 of the Act of February 18, 1922, 42 Stat. 390, 35 U.S.C. § 11 (1946). Section 487, and its current codification as 35 U.S.C. §§ 31 and 32, provides authority for the Commissioner of Patents only to prescribe rules (subject to approval by the agency head) appropriate to "the recognition of agents, attorneys, or other persons" to represent inventors and others "in the presentation or prosecution of their applications or other business before the office," and to "suspend or exclude" "incompetent or disreputable" persons from further practice before his office. We think it clear from this language that there was no intention on the part of Congress to authorize anyone to practice patent law in Florida or anywhere else.

This is confirmed by the cases. The language of section 487 is essentially of a housekeeping character. See *Goldsmith* v. *United States Board of Tax Appeals* (1926), 270 U.S. 117, 70 L.Ed. 494, 46 S.Ct. 215; *Phillips* v. *Ballinger*, 37 App. D.C. 46, 49 (1911), *appeal dismissed sub. nom. Phillips* v. *Fisher* (1913), 229 U.S. 630, 57 L.Ed. 1358; 16 *Ops. Att'y Gen.* 488 (1880).

In *Goldsmith* v. *United States Board of Tax Appeals* (1926), 270 U.S. 117, 70 L.Ed. 494, 46 S.Ct. Rep. 215,

this Court held that the statutory authority of the Board of Tax Appeals to conduct its proceedings "in accordance with such rules of evidence and procedure as the Board may prescribe" included the power to adopt rules for the admission of attorneys and accountants to practice before the Board. In that case the Board had excluded the petitioner, an accountant, from admission to practice on *ex parte* considerations. In a mandamus proceeding to compel his admission the petitioner argued that the Board had no power to limit the taxpayer's choice of representative. In rejecting this argument, this Court likened the Board's statutory power to prescribe rules of procedure to express statutory provisions authorizing the Secretary of the Treasury and the Secretary of the Interior to prescribe rules "governing the recognition of agents, attorneys, or other persons representing claimants before his department" under the Acts of July 7, 1884, 23 Stat. 258, 5 U.S.C. § 261, and July 4, 1884, 23 Stat. 101, 5 U.S.C. § 493 (270 U.S. 117, 121, 122):

> "We think that the character of the work to be done by the board, the quasi judicial nature of its duties, the magnitude of the interests to be affected by its decisions, all require that *those who represent the taxpayers in the hearings* should be persons whose qualities as lawyers or accountants will secure proper service to their clients and to help the board in the discharge of its important duties. *In most of the executive departments in which interest of individuals as claimants or taxpayers are to be passed on by executive officers or boards, authority is exercised to limit those who act for them as attorneys to persons of proper character and qualification to do so. Not infrequently, statutory provision is made for requiring a list of enrolled attorneys to which a practitioner must be admitted by the executive officer or tri-*

> *bunal.* Act July 7, 1884, 23 Stat. at L. 236, 258 . . . [5 U.S.C. § 261]; Act of July 4, 1884, 23 Stat. at L. 98, 101 . . . [5 U.S.C. § 493]; Act of June 10, 1921, 42 Stat. at L. 25 . . . [31 U.S.C. § 52(f)]. In view of these express provisions, it is urged that the absence of such authority in case of the board of tax appeals should indicate that it was not intended by Congress to give it the power. *Our view, on the contrary, is that so necessary is the power and so usual is it that the general words by which the board is vested with the authority to prescribe the procedure* in accordance with which its business shall be conducted *include as* part of the procedure *rules of practice for the admission of attorneys. It would be a very curious situation if such power did not exist in the board of tax appeals when in the Treasury Department and the office of the Commissioner of Internal Revenue there is a list of attorneys enrolled for practice in the very cases which are to be appealed to the board.*" (Emphasis added.)

In no way did this Court intimate that the statutory authority of the Board or of the Secretaries of the Treasury and Interior Departments under the 1884 Acts—the language of which is substantially identical to the statutory authority of the Patent Office under § 487 of the Revised Statutes—extended beyond the housekeeping power to exclude, by fair procedures, unsuitable persons from "representing" persons "in the hearings" before the Board. There is no suggestion that the admission of accountants to practice before the Board of Tax Appeals constitutes authorization to practice law relating to federal taxation throughout the several States without regard to State regulation of the practice of law.

In *Phillips, supra,* an attorney at law sought to enjoin the Secretary of the Interior from disbarring him

from practice before the Interior Department on the ground that the statute authorizing the disbarment (section 5 of the Act of July 4, 1884, 23 Stat. 101, 5 U.S.C. § 493) was void on due process grounds due to the vagueness of the term "disreputable" and due to the failure of the statute to provide for the swearing of witnesses in disbarment proceedings thereunder. This section of the 1884 Act contained essentially the same language as was added to section 487 of the Revised Statutes by the Act of February 18, 1922, *supra*. In affirming dismissal of the bill and upholding the statute, the Court of Appeals stated that "it is unnecessary to consider whether [the 1884 Act] constitutes anything more than a legislative sanction of the practice heretofore existing" since "prior to the passage of the Act," by virtue of section 161 of the Revised Statutes, 5 U.S.C. section 22, "the Secretary certainly had the power to prescribe rules governing the conduct of agents and attorneys in his department," and this "would seem to include the power to exclude such agents and attorneys as the Secretary, after notice and hearing, should find no longer entitled to enjoy the privileges theretofore granted." *Id.* at 49.

In 16 *Ops. Att'y Gen.* 148 (1880), the Attorney General pointed out the authority of agency heads to regulate practice before their departments, in the absence of express statutory authorization:

> "Referring to your informal note of the 21st of April, I would answer that the *Secretary of the Interior has authority to disbar for misconduct attorneys practicing before his department. This authority is not given by statute*, but seems to have been one exercised heretofore by heads of Departments in the protection of the Government. Its

limits were defined by Attorney-General Hoar [in 13 Ops. Att'y Gen. 150] as follows:

> 'It is competent to the head of a Department, as a measure for the protection of the public interests committed to his charge, *to decline to recognize or to suspend the transaction of business with an agent or attorney for frauds and fraudulent practices* attempted or committed by him in the prosecution of claims before the Department, and whose character is such that a reasonable degree of confidence cannot be placed in his integrity and honesty in dealing with the Government.
>
> 'The authority to pursue this course under those circumstances rests upon the very necessity that exists for its adoption as a safeguard against fraud in administering the laws relating to the settlement and payment of claims upon the United States.
>
> 'Besides, it is a just and necessary limitation upon the right of a party to be represented by an agent, and to select the agent by whom he will be represented, that he shall not employ a person offensive or dangerous to the other party with whom he is to deal.' " (Emphasis added.)

In the light of these statements of implied authority to regulate practice before Government departments, it is clear that the words of section 487 of the Revised Statutes largely restate the implied power previously exercised in the absence of statute; and that they do not go beyond sanction of the exercise of this housekeeping power at the level of the Commissioner of Patents. Like section 161, section 487 does not attempt to say that "recognition" is a federal authorization to practice law relating to patents in Florida or elsewhere.

Section 487 merely authorizes the Commissioner to exercise the power of recognition by requiring "such persons, agents, or attorneys, before being recognized as representatives of applicants," to show "that they are of good moral character and in good repute, are possessed of the necessary qualifications to enable them to render to applicants or other persons valuable service, and are likewise competent to advise and assist applicants" in "the presentation and prosecution of their applications . . . before the office." It does not manifest any Congressional purpose to authorize Petitioner to practice law relating to patents in Florida or elsewhere. Rather, its purpose was to protect inventors against representation by incompetent or disreputable persons.

B. Practice "Before" the Patent Office Means "in the Presence of" the Patent Office

While Petitioner would have this Court interpret admission to practice "*before the Patent Office*" to constitute the grant of a federal license to practice law relating to patents in Florida, the language of the statute rejects Petitioner's claim. For the statutory phrase "presentation or prosecution" of applications for patents "*before*" the Patent Office limits the sphere and scope of "recognition" to activities conducted *in the presence of the Patent Office*. When not used in a temporal sense, the word "before" ordinarily means "in the presence of." Thus "an affidavit made before a magistrate" in 18 U.S.C. § 3182 means made "in the presence of" the magistrate, *State* v. *Murnane* (1927), 172 Minn. 401, 215 N.W. 803; *Ex parte Davis* (1933), 333 Mo. 262, 62 S.W. 2d 1086, 89 A.L.R. 589; *In re Murphy* (1947), 321 Mass. 206, 72 N.E. 2d 413. Acknowledgment of a deed by an officer over the tele-

phone is not an acknowledgment "before" that officer required by statute, *Hutchinson* v. *Stone* (1920), 79 Fla. 157, 84 So. 151, 155. "In the presence of the enemy" is synonymous with "before the enemy" in a court martial specification, *Bigrow* v. *Hiatt*, 70 F. Supp. 826, 829 (D. Pa. 1947). Also, the conclusion that "before the Patent Office" only means "in the presence of the Patent Office" is strengthened by the words "presentation or prosecution" which import activities of such a character that they could take place only "in the presence of" the Patent Office.

C. In 1938 the Rules of the Patent Office Expressly Disclaimed Any Intention of "Authorizing Persons Not Members of the Bar to Practice Law"

Not only have the rules of practice before the Patent Office never purported to express or imply any attempt to authorize a person to practice law relating to patents in Florida or elsewhere. In addition, since 1938 they have expressly provided or recognized that admission to practice before the Patent Office is not to be construed as authorizing persons not members of the bar to practice law.[11]

Thus, in 1938, the Patent Office by amendment to Rule 17 of the Rules of Practice (495 O.G. 715) for the first time established a "register of attorneys" for attorneys at law, and a wholly separate "register of

[11] Prior to 1938, the rules show only an evolving power of exclusion of disreputable or incompetent agents from practice before the Patent Office that really began in 1898 when all persons recognized as eligible to represent inventors before the Patent Office were enrolled on a register of "patent attorneys" without regard to whether they were attorneys at law. The new significant details of this evolution are traced in Appendix C *post*.

agents" for persons not attorneys at law, "on which will be entered the names of all persons entitled to represent applicants before the Patent Office in the presentation and prosecution of applications for patent." The purpose and significance of this separate recognition of patent lawyers and agents was made meaningful by express provisions of the rule accompanying the establishment of separate registers. Rule 17 was amended to provide that, with respect to both attorneys and agents:

> ". . . Registration under the provisions of this rule **shall not be construed as authorizing persons not members of the bar to practice law.**"

This amendment to Rule 17 is a persuasive administrative interpretation of § 487 that admission to practice before the Patent Office could not be construed to authorize the practice of law relating to patents in Florida or elsewhere.

Moreover, in 1949, incident to a comprehensive revision of the Rules of Practice, the portion of Rule 17 recognizing that registration "shall not be construed as authorizing persons not members of the bar to practice law" was incorporated in Rule 341 and restated as

> "Registration in the Patent Office under the provisions of these rules shall **only** entitle the persons registered to practice before the Patent Office." (29 C.F.R. § 1.341 (1949). (Emphasis added.)

This restatement of Rule 17 continues the substance of the provision that admission to practice before the Patent Office is not to be understood as authorizing the practice of law by persons "not members of the bar." The word "only" in the phrase that registration, whether of attorneys at law or agents, "shall *only* en-

title the persons registered to practice before the Patent Office," is not susceptible of any different meaning. Thus Rule 341 merely repeats in the affirmative what Rule 17 provided in the negative. Moreover, this philosophy as to the Commissioner's statutory authority was extended in 1955 when, acting under the successor statute to § 487 (35 U.S.C. §§ 31, 32), the Commissioner of Patents revised the rules of practice before the Patent Office in trademark cases to provide among other things that "Recognition of any person under this section is not to be construed as sanctioning the performance of any acts regarded in the jurisdiction where performed as the unauthorized practice of law" (37 C.F.R. § 2.12(d) (1955)).

Accordingly, we think it clear that the very Rules of Practice of the Patent Office itself have taken special pains to specifically provide that they are not to be construed as authorizing anyone to practice law.

D. The Legislative History of § 487 Confirms the Housekeeping Character of the Statute

The legislative history confirms that Congress, in amending section 487 in 1922, had no thought of authorizing the Commissioner to authorize Petitioner to practice law relating to patents before the Patent Office or elsewhere. Responding to requests of the Patent Office, Congress was endeavoring solely to enlarge the housekeeping authority of the Commissioner to deny or refuse recognition to patent agents on grounds in addition to the "gross misconduct" ground previously authorized by section 487. It sought to provide the additional grounds of engaging in false or misleading advertising, and to give the Commissioner final administrative authority in the exercise of this power to

exclude without obtaining the prior approval of the Secretary of the Interior. See Appendix C *post*.

E. Admission to Practice Before the Patent Office Does Not Entitle Petitioner to Practice Patent Law in the Federal Courts

It is clear from the Rules of the Federal Courts that admission to practice before the Patent Office in patent and trademark cases does not entitle a person to practice law relating to patents in the Federal courts. For example, Rule II of the Rules of Practice of the United States Court of Customs and Patent Appeals expressly limits eligibility to admission to practice before that Court to "Any attorney who is entitled to practice in the Supreme Court of the United States or in the court of appeals of the United States or in the court of last resort in any State or Territory or the District of Columbia or in the United States Court of Claims" without regard, for the purposes of the jurisdiction of that Court in patent and trademark cases, to whether the attorney has also been admitted to practice before the Patent Office. Indeed, Petitioner can scarcely claim that, by virtue of "recognition" before the Patent Office, he can practice before the Court of Customs and Patent Appeals. The same is true of the United States District Courts.

It is clear, therefore, that laymen admitted to practice before the Patent Office may not practice law relating to patents in any courtroom. And there is no greater reason to believe that they should be permitted to practice law relating to patents outside the courtroom.

POINT SIX

IF THE STATUTE COULD BE CONSTRUED TO MEAN THAT CONGRESS HAS AUTHORIZED THE COMMISSIONER TO AUTHORIZE THE PETITIONER TO PRACTICE LAW RELATING TO PATENTS IN FLORIDA, IT WOULD BE INVALID AS AN UNCONSTITUTIONAL DELEGATION OF LEGISLATIVE POWER

First, Congress has no power to authorize people to practice law. Any attempt by Congress to authorize people to practice law would at least be an invasion of the judicial power vested in this Court. See Point Three, *supra*, p. 58.

Second, however, if we should assume, for purposes of argument, that Congress has the power to authorize people to practice law in the federal field, nevertheless, as set forth in Point Five, *supra*, p. 74, Congress has never intended to authorize the Commissioner of Patents to authorize the Petitioner to practice law relating to patents in Florida. The statute in question is a mere housekeeping statute designed to exclude undesirable persons from "recognition" by the Patent Office. Dealing solely as it does with "recognition" by the Patent Office, it does not purport to confer any right whatever to practice patent law in Florida.

Third, even if we should consider, for the purpose of argument, that this statute could be interpreted to mean that Congress has attempted to authorize the Commissioner of Patents to authorize Petitioner to practice patent law in Florida, the statute would be invalid for the additional reason that it would be an unconstitutional delegation of legislative power.

Here it is significant that in 1938 the Rules of Practice of the Patent Office were amended to provide, with respect to both "attorneys" and agents that

> "Registration under the provisions of this rule *shall not be construed as authorizing persons not members of the bar to practice law.*" (Emphasis added)

Later, the Rules were amended to provide in substance the same thing, that

> "Registration in the Patent Office shall *only* entitle the persons registered to practice before the Patent Office." (Emphasis added.)

The foregoing provisions are in complete harmony with the decision below enjoining Petitioner from certain acts in Florida which constituted the practice of law.

Now, however, Petitioner contends that the Rules of Practice give him a federal license to do the precise thing that they clearly prohibited him from doing beginning in 1938, even if they could be differently construed now. Stated otherwise, in 1938 the Rules of Practice specifically provided that "Registration . . . shall not be construed as authorizing persons not members of the bar to practice law." Now Petitioner claims that the Rules specifically authorize him to engage in the practice of law relating to patents in Florida. And no particular reason appears as to why he should be prohibited in one year and permitted in another year, with respect to the very same act.

But if we assume the construction of the statute contended by Petitioner, the first significant feature of this from the standpoint of delegation of legislative power is that the *practice of law* as the *subject* of any such delegation by Congress is not even mentioned, let alone "defined" in the statute. Second, there is a com-

plete absence of standards [12] laid down by Congress as to when, how or whether the Commissioner of Patents may prohibit, and when he may authorize laymen to practice law relating to patents in the states or elsewhere. Accordingly, if today the Commissioner feels that it is a good idea to prohibit laymen from engaging in the practice of law relating to patents, he can promulgate a rule saying so. If tomorrow, he decides that such is not a good idea, he can promulgate a contrary ruling saying that the layman may practice law relating to patents in every State. In short, the very thrust of the Petitioner's claim is that the Commissioner of Patents may permit or prohibit laymen from practicing law or license them to practice patent law, as he pleases, in the complete absence of any standards laid down by Congress defining when, whether or how laymen should be permitted to practice patent law. This would be conferring an unfettered discretion upon a Government official—something not permitted in our system of government.

Both these points are settled by the cases. First, it is clear that, in order to validly delegate legislative power, the *"subject to which this authority relates"* must be *"defined."* Thus in *Panama Refining Co.* v. *Ryan* (1935), 293 U.S. 388, 79 L.Ed. 446, 55 S.Ct. 241, the Court, among other things, said:

> "Fourth. Section 9(c) is assailed upon the ground that it is an unconstitutional delegation of legislative power. The section purports to

[12] Such standards as appear in the statute relate solely to criteria under which the Commissioner may *exclude* unsuitable persons from representing applicants before the Patent Office, as distinguished from standards relating to the exercise of a power to authorize persons to practice law relating to patents in Florida.

> authorize the President to pass a prohibitory law. *The subject to which this authority relates is defined.* It is the transportation in interstate and foreign commerce of petroleum and petroleum products which are produced or withdrawn from storage in excess of the amount permitted by state authority. Assuming for the present purpose, without deciding, that the Congress has power to interdict the transportation of that excess in interstate and foreign commerce, the question whether that transportation shall be prohibited by law is obviously one of legislative policy. Accordingly, we look to the statute to see whether the Congress has declared a policy with respect to that subject; whether the Congress has set up a standard for the President's action; whether the Congress has required any finding by the President in the exercise of the authority to enact the prohibition. (293 US 414, 415) (Emphasis added.)

In the instant statute, however, there is no mention whatever of the "subject" of authorizing anyone to practice law relating to patents in Florida or elsewhere.

Second, it is also clear that the question as to whether and how the subject is to be regulated—assuming that one has been defined—"is obviously one of legislative policy." See the quotation from the *Panama* case immediately above. The statute must be scrutinized to see, first, whether Congress has declared a policy with respect to the subject defined, and second, whether the Congress has set up *standards* for the action of the delegate, *Panama Refining Co.* v. *Ryan* (1935), 293 U.S. 388, 79 L.Ed. 446, 55 S.Ct. 241, *supra, A.L.A. Schechter Poultry Corp.* v. *United States* (1935), 295 U.S. 495, 79 L.Ed. 1570, 55 S.Ct. 837, 97 A.L.R. 947.

The question presented, and the holding of the *Schechter* case that section 3 of the National Industrial

Recovery Act was an unconstitutional delegation of legislative power are set forth below:

> "Second. The question of the delegation of legislative power. We recently had occasion to review the pertinent decisions and the general principles which govern the determination of this question. *Panama Ref. Co.* v. *Ryan,* 293 U.S. 388, ante, 446, 55 S.Ct. 241. The Constitution provides that 'all legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and the House of Representatives.' Art. 1, § 1. And the Congress is authorized 'to make all laws which shall be necessary and proper for carrying into execution' its general power. Art. 1, § 8, Par. 18. *The Congress is not permitted to abdicate or to transfer to others the essential legislative functions with which it is thus vested.*" (295 US 529).
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> "To summarize and conclude upon this point: § 3 of the Recovery Act is without precedent. It supplies no standards for any trade, industry or activity. It does not undertake to prescribe rules of conduct to be applied to particular states of fact determined by appropriate administrative procedure. Instead of prescribing rules of conduct, it authorizes the making of codes to prescribe them. For that legislative undertaking, § 3 sets up no standards, aside from the statement of the general aims of rehabilitation, correction and expansion described in § 1. In view of the scope of that broad declaration, and of the nature of the few restrictions that are imposed, *the discretion of the President* in approving or prescribing codes, and thus enacting laws for the government of trade and industry throughout the country, *is virtually unfettered.* We think that the code-making authority thus conferred is an unconstitutional delega-

tion of legislative power." (295 US 541, 542.) (Emphasis added.)

Again, in the instant case, if we could assume that the statute could be construed to mean that Congress intended to authorize the Commissioner to authorize the Petitioner to practice law relating to patents in Florida, there is a complete absence of standards as to how, whether or when the Commissioner should authorize the Petitioner to practice law. There would be a conferring of an unfettered discretion on the Commissioner, and it would be an unconstitutional delegation of legislative power. As Justice Cardoza put it, concurring in the *Schechter* case, *"This is delegation running riot."* 295 U.S. 553.

POINT SEVEN

IF THE STATUTE COULD BE CONSTRUED TO AUTHORIZE THE COMMISSIONER TO AUTHORIZE THE PETITIONER TO PRACTICE PATENT LAW IN FLORIDA, IT WOULD ALSO EXCEED THE POWERS CONFERRED ON THE FEDERAL GOVERNMENT IN THE CONSTITUTION AND INVADE THE POWERS RESERVED FOR THE STATES BY THE TENTH AMENDMENT

A. Introduction

First, we have shown above in Point Three, p. 58, that where the judicial power of government is vested in the Courts, as it is in the Constitution of the United States, only the Courts have the power to admit to the Bar and to disbar, and to define what constitutes the practice of law and exclude unauthorized persons therefrom. The legislative branch—Congress—has no power to authorize persons to practice law, in the federal field or elsewhere.

Second, however, for purposes of argument only, and contrary to Point Three, we are assuming in this point that Congress could authorize people to practice law. And third, we also assume for purposes of argument only and contrary to Point Five, *supra*, p. 74, that the statute in question could be construed to mean that Congress attempted to authorize the Commissioner to authorize the Petitioner to practice law in Florida. Fourth we further assume, contrary to Point Six, again for purposes of argument only, that the statute, so construed, could be held to be a constitutional delegation of legislative power despite the fact that the practice of law is not even mentioned as the "subject" of any attempted delegation, and there is a complete absence of standards as to whether, when or how, the Commissioner should authorize people to practice law.

Only on the basis of these assumptions do we arrive at this point.

B. Except for the Protection of an Inventor's Exclusive Right to an Invention, the Patent Clause of the Constitution and the Patent Laws Passed by Congress are Subject to the Police Power of the States

Petitioner (brief p. 27) quotes from *McClurg* v. *Kingsland* (1843), 1 How. 202, 206, 11 L.Ed. 102, 103, to the effect that "the powers of Congress to legislate upon the subject of patents is plenary." He omits, however, to give the context in which the statement was made. The full paragraph involved is as follows:

> "The exceptions to the charge were confined to these two points, which constitute the only subject for our consideration. Whether these exceptions are well taken or not *must depend on the law as it stood at the emanation of the patent, together with such changes as have been since made;* for though they may be retrospective in their operation, that is not a sound objection to their validity; *the powers of Congress to legislate upon the subject of patents is plenary by the terms of the Constitution*, and as there are no restraints on its exercise, *there can be no limitation of their right to modify them at their pleasure, so that they do not take away the rights of property in existing patents.*" (1 How. 206)

So we see that *McClurg* v. *Kingsland* did not involve State-Federal relations in the field of patents, as is implied by Petitioner in his brief, p. 27. Rather, it was a suit brought by the assignees, McClurg, *et al.*, of an inventor, Harley, against Harley's former employer, Kingsland, for infringement of a patent. The trial Court had submitted the case to the jury on a charge that the facts presumed a license to Kingsland to use the patent. Harley had developed the invention while employed by Kingsland, had given his employer free use of it before an application for a patent was made,

and had been given an increase in wages for making the invention. The case itself turned upon the consolidated effect of successive acts of Congress relating to the particular patent. And it appears to be plain that, when this Court said "the powers of Congress to legislate upon the subject of patents is plenary by the terms of the Constitution . . . there can be no limitation on their right to modify them, [i.e., patents] so long as they do not take away the rights of property in existing patents," this Court was discussing only the right of Congress to legislate, and amend its legislation, with respect to a particular patent, and as between employer and employee. It was not discussing relations between the State and Federal Governments.

But there are significant cases in the field of Federal-State accommodation relating to patents. Probably the leading case is *Patterson v. Kentucky* (1879), 97 U.S. 501, 24 L.Ed. 1115. And that case anaiyzed the substance, scope and limits of the power conferred by the States on the Federal Government in Article I, Section 8, Clause 8, which only provides that:

> "The Congress shall have Power . . . To promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries."

It is to be noted that this clause of the Constitution does not mention the word "patents," and that, grammatically, the only "power" conferred is to promote science, etc., "*by securing* for limited times to authors and inventors *the exclusive right* to their respective writings and discoveries." (Emphasis added.) Thus the vitals of the power conferred, in our context, is to "secure . . . *the exclusive right to . . . discoveries.*" "Se-

cure" in this clause means to "protect." *Wheaton and Donaldson* v. *Peters and Grigg* (1834), 8 Pet. 591, 8 L.Ed. 1055, 1080; *Patterson* v. *Kentucky, supra,* 97 U.S. 501, 506; *Webber* v. *Virginia, post,* p. 97, 103 U.S. 344, 349. Nothing more was granted by the States, in this connection, to the Federal Government. In contrast to the commerce power, for instance, no broad power such as the power to "regulate discoveries and patents therefor, and the use thereof," was granted.

This very limited character of this grant of power was discussed in the landmark case of *Patterson* v. *Kentucky, supra.* In that case the Court of Appeals of Kentucky had affirmed a judgment imposing a fine of $250 for violation of a Kentucky statute prohibiting, with criminal penalties, the sale of certain oils which burned at temperatures considered unsafe for illuminating purposes. The plaintiff in error had manufactured the oil in question, known as "Aurora" oil in accordance with letters patent issued to her assignor. Accordingly, she claimed that "she had the right to sell the Aurora oil in any part of the United States, and that no State could, consistently with the Federal Constitution and the laws of Congress prevent or obstruct the exercise of that right . . ." by passing laws "to which the patented article could not be made to conform."

In affirming the judgment below, this Court had some very significant things to say on the limited character of Clause 8:

> "Congress is given power to promote the progress of science and the useful arts. To that end it may, by all necessary and proper laws, secure to inventors, for limited times, the exclusive right to their discoveries. That power has been exerted in the various statutes prescribing the terms and conditions upon which inventors may obtain letters patent. It is true that *letters patent, pursuing the*

words of the statute, do, in terms grant to the inventor, his heirs and assigns, the exclusive right to make, use and vend to others his invention or discovery, throughout the United States and the Territories thereof. *But, obviously, this right is not granted to or secured, without reference to the general powers which the several States of the Union unquestionably possess* in reference to their purely domestic affairs, whether of internal commerce or of police." (Emphasis added.) (97 US 503.)

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"The Kentucky statute being, then, an ordinary police regulation for the government of all engaged in the internal commerce of that State, the only remaining question is, whether under the operation of the Federal Constitution and the laws of Congress, it is without effect in all cases where the oil, although condemned by the State as unsafe for illuminating purposes, has been made and prepared for sale in accordance with a discovery for which letters patent have been granted. We are of opinion that *the right conferred upon the patentee and his assigns to use and vend the corporeal thing or article, brought into existence by the application of the patented discovery, must be exercised in subordination to the police regulations which the State has established by the Statute of 1874.*" (Emphasis added.) (97 US 505.)

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"These considerations, gathered from the former decisions of this court, would seem to justify the conclusion that *the right which the patentee or his assignee possesses in the property, created by the application of a patented discovery, must be enjoyed subject to the complete and salutary power with which the States have never parted,* of so defining and regulating the sale and use of property within their respective limits as to afford protec-

tion to the many against the injurious conduct of the few." (Emphasis added.) (97 US 506.)

* * * * * * * * *

"*The right which the patent primarily secures is the exclusive right in the discovery,* which is an incorporeal right, or, in the language of Lord Mansfield, in Millar v. Taylor, 4 Burr., 2303, 'a property in notion,' which 'has no corporeal tangible substance.' *The enjoyment of that incorporeal right may be secured and protected by national authority against all hostile state legislation;* but the tangible property which comes into existence by the application of the discovery is not beyond the control as to its use of state legislation, simply because the inventor acquires a monopoly in the discovery.

"An instructive case upon the precise point under consideration is *Jordan* v. *Overseers of Dayton,* 4 Ohio, 295. Jordan was sued in debt, to recover certain penalties for practicing medicine in violation of an Ohio Statute regulating the practice of physic and surgery. His defense rested, in part, upon the ground that the medicine administered by him was that for which letters patent had issued to his assignor, granting to the latter the exclusive right of making, constructing, using and vending to others to be used, the medicine in question, which was described in the letters patent as a new and useful improvement, and as being a mode of preparing, mixing, compounding, administering and using that medicine. The contention of Jordan was, that the State Government could not restrict or control the beneficial or lucrative use of the invention; and that, as assignee of the patentee, he was entitled to administer the patented medicine *without obtaining a license to practice physic or surgery as required by the state Statute.* The Supreme Court of Ohio said: 'This leads us to consider the nature and extent of such

rights as accrue from letters patent for useful discoveries." (Emphasis added.) (97 US 506, 507.)

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"'*If the State should pass a law for the purpose of destroying a right created by the Constitution, this court will do its duty; but an attempt by the Legislature, in good faith, to regulate the conduct of a portion of its citizens*, in a matter strictly pertaining to its internal economy, we cannot but regard as a legitimate exercise of power, *although such law may sometimes indirectly affect the enjoyment of rights flowing from the Federal Government.*'"

* * * * * * * * *

"'In the case of *Livingston* v. *Van Ingen*, 9 Johns., 507, Chancellor Kent said that 'The national power will be fully satisfied if the property created by patent be, for the given time, enjoyed and used exclusively, so far as, under the laws of the several States, the property shall be deemed [fit] for toleration [and use]. There is no need of giving this power any broader construction in order to attain the end for which it was granted, which was to reward the beneficient efforts of genius, and to encourage the useful arts.'"

* * * * * * * * *

"Without further elaboration, we deem it only necessary to say that the *Kentucky Statute does not, in our judgment, contravene the provisions of the Federal Constitution, or of any statute passed in pursuance thereof. Its execution creates no necessary conflict with national authority, and interferes with no right secured by federal legislation*, to the patentee or his assigns." (Emphasis added.) (97 US 509.)

The Ohio case of *Jordan* v. *Overseers of Dayton*, relied upon by this Court in *Patterson* v. *Kentucky*, is specially pertinent to our case. For that was an un-

authorized practice case. There Jordan was sued for certain penalties for having violated the prohibition against the unauthorized practice of medicine. His defense was that he was administering certain patent medicine and was entitled to do so "*without obtaining a license to practice physic and surgery as required by the state statute.*"

Indeed, in the Ohio Supreme Court Jordan had insisted that

> "the power of the legislature is limited in this case because the patent, securing to Thompson [the plaintiff's assignor] the exclusive right of preparing and mixing medicines, emanated from the general government, under the authority of the constitution; and that its full effect cannot be had, unless it be holden altogether exempt from the state control."

But the Ohio Supreme Court overruled this defense on the ground that the patent power conferred by the Constitution could only be "indirectly affected" (97 U.S. 508) by the right of the State, in the exercise of its police power, *to regulate the practice of medicine in Ohio*—quoted with approval by this Court. Just as in that case the patent clause of the Constitution and the laws passed by Congress pursuant thereto were held to be subject to the police power of the State to regulate the practice of medicine, so in our case they are subject to the police power of the State to regulate the practice of law in Florida.

Similarly, in *Webber* v. *Virginia* (1881), 103 U.S. 344, 26 L.Ed. 565, Webber had been convicted for unlawfully selling and offering for sale certain Singer Sewing Machines without having first obtained a license for that purpose. Thus, the question was whether the

State could require a *license* for the sale of articles which had been patented. One of Webber's defenses was that the Singer Manufacturing Company held a patent of United States, "authorizing it to manufacture and sell them anywhere in the United States" (page 347). In holding that there was no error in overruling this defense, this Court significantly pointed out that "The combination of different materials . . . which constitutes the invention or discovery, cannot be forbidden by the State," but indicated also that the Constitution does not confer any general right on the Federal Government to regulate anything and everything that happens to be connected with patents. Instead, the Constitution only conferred very limited power, that is, only power with respect to "the right to the invention or discovery, the incorporeal right" and that that was the only right with which the State could not interfere. Thus, the Court expressly stated that "*Congress never intended that the patent laws should displace the police powers of the states,*" and that, except with respect to the right to the invention or discovery, whatever rights are secured to inventors under the patent laws of the United States must be enjoyed "*in subordination to*" the police power of the States. Thus this Court, among other things, said:

> "The patent for a dynamite powder does not prevent the State from prescribing the conditions of its manufacture, storage and sale, so as to protect the community from the danger of explosion. A patent for the manufacture and sale of a deadly poison does not lessen the right of the State to control its handling and use. The legislation respecting the articles which the State may adopt after the patents have expired, it may equally adopt during their continuance. **It is only the right to the invention or discovery, the incorporeal right.**

which the State cannot interfere with. Congress never intended that the patent laws should displace the police powers of the States, meaning by that term those powers by which the health, good order, peace and general welfare of the community are promoted. *Whatever rights are secured to inventors* must be enjoyed *in subordination* to this general authority of the State over all property within its limits." (Emphasis added.) (103 U.S. 348.)

* * * * * * * * *

"In accordance with the views thus expressed, we can find no objection to the legislation of Virginia *in requiring a license for the sale of the sewing-machines*, by reason of the grant of letters of patent for the invention." (Emphasis added.) (103 U.S. 349.)

Also, in the very important case of *Allen* v. *Riley* (1906), 203 U.S. 347, 51 L.Ed. 216, 27 S.Ct. 95, this Court upheld a Kansas statute which required one selling a patent right in any county in that state to file with the Clerk in such county an authentic copy of the letters patent, together with an affidavit of genuineness of the letters patent and as to other matters. It is noteworthy that this statute clearly affected the "exclusive right" to an invention. Moreover, there was a federal statute which dealt specifically with the subject of assignment of patents. But the Kansas statute was held not to violate Article I, Sec. 8, granting to Congress the right to "secure" to inventors the exclusive right to their discoveries.

What had happened was that the plaintiff in the trial court sued to recover the value of certain lands alleged to have been transferred by him to the defendant in part payment for the transfer to the plaintiff of certain rights under a patent for a washing machine. The

right to recover was based upon the failure of defendants to comply with the Kansas statute. In turn, the defendants insisted that the Kansas statute in question violated the patent clause of the Constitution "*and the Federal statute passed in pursuant thereof,*" Revised Statutes, Section 4898. This Federal statute related directly to the subject matter in that it provided that a patent or interest therein shall be assignable in law by an instrument in writing, which assignment is to be void against any subsequent purchaser or mortgagee without notice unless recorded in the Patent Office within three months from the date thereof.

It was asserted by the defendants in the trial court that the subject of the sale or assignment of an interest in a patent "is derived from the laws of Congress passed with reference to the constitutional provision quoted above, and that any regulations whatever, by any state authority, in regard to such assignment or sale, and making provision in respect to them, are illegal."

However, the Supreme Court of Kansas upheld the Kansas statute and affirmed a judgment for plaintiff. And on writ of error to this Court, the judgment was affirmed. After discussing *Patterson* v. *Kentucky, supra,* this Court had the following to say regarding *Webber* v. *Virginia, supra:*

> "*Webber* v. *Virginia, supra,* relates also to tangible property covered by a patent, and it was held that the patent did not exclude from the operation of the taxing or licensing law of the state the tangible property manufactured under a patent. It was said in that case that 'Congress never intended that the patent laws should displace the police powers of the states,' meaning by that term those powers

by which the health, good order, peace, and general welfare of the community are promoted. Whatever rights are secured to the inventors must be enjoyed in subordination to this general authority of the state over all property within its limits."

This Court then proceeded to uphold the statute in the following language:

"We think the state has the power (certainly until Congress legislates upon the subject) with regard to the provision which shall accompany the sale or assignment of rights arising under a patent, *to make reasonable regulations concerning the subject, calculated to protect its citizens* from fraud. And we think Congress has not so legislated by the provisions regarding an assignment contained in the act referred to."

* * * * * * * * *

It is noteworthy that when this Court remarked that "the State has the power (certainly until Congress legislates upon the subject) with regard to the provision which shall accompany the sale or assignment of rights arising under a patent," this Court was dealing with the very subject of Constitutional power—the "exclusive right" to an invention. But to repeat, in our case there is no Congressional legislation bearing any real relation to that subject, and nothing relating thereto with which the decision below could be said to interfere.

Indeed, in this very connection, the Court went on to point out that the State could not "prohibit" the sale of a patent, saying:

"To uphold this kind of a statute is by no means to authorize any state to impose terms which, possibly, in the language of Mr. Justice Davis, in Ex parte Robinson, 2 Biss. 309, Fed. Cas. No. 11,932,

> 'would result in a prohibition of the sale of this species of property within its borders, and in this way nullify the laws of Congress which regulate its transfer, and destroy the power conferred upon Congress by the Constitution.' Such a statute would not be a reasonable exercise of the powers of the state." (Emphasis added.)

To repeat, the last quotation is particularly significant. It points out that the State could not prohibit "the sale of this species of property," and by "property," meaning a patent. In short, the Constitution protects the exclusive right of the inventor to the patent, and the State could not prohibit the sale thereof. But, as the Court held, it may "make *reasonable regulations concerning*" the sale or assignment thereof.

Finally, the Court concluded, significantly, that:

> "The mere provision in the Federal statute for an assignment and its record as against subsequent purchasers, etc., *is not such legislation as takes away the rights of the states to legislate on the subject themselves in a manner neither inconsistent with, nor opposed to, the Federal statute.* We think the judgment is right, and it is affirmed." (Emphasis added.)

In *Long* v. *Rockwood* (1928), 277 U.S. 142, 72 L.Ed. 145, 48 S.Ct. 461, this Court held that a State could not tax royalties for the use of patents issued by the United States. Justices Holmes, Brandeis, Sutherland, and Stone, however, dissented, in a cogent opinion which, among other things, said:

> "Even with regard to patents some laws of a kind that might destroy the use of them within the state have been upheld. *Patterson* v. *Kentucky*, 97 U.S. 501, 24 L.ed. 1115; *Webber* v. *Virginia*, 103

U.S. 344, 26 L.ed. 565; *Emert* v. *Missouri*, 156 U.S. 296, 39 L.ed. 430, 5 Inters. Com. Rep. 68, 15 Sup. Ct. Rep. 367. They must be reasonable or they will be held void, but if this court deems them reasonable they stand. *Allen* v. *Riley*, 203 U.S. 347, 355, 51 L.ed. 216, 218, 27 Sup. Ct. Rep. 95, 8 Ann. Cas. 137."

Long v. *Rockwood* has now been overruled by *Fox Film Corp.* v. *Royal* (1932), 286 U.S. 123, 76 L.Ed. 1010, 52 S.Ct. 542, thus giving added significance to the potent language quoted above from the opinion by Mr. Justice Holmes. Also, the limited interest of the United States under the patent and copyright clause is mentioned in the opinion by Chief Justice Hughes in the *Fox Film* case, upholding a State tax on the gross receipts of royalties of licenses for copyrighted motion pictures, as follows:

"*The sole interest of the United States and the primary object* in conferring the monopoly lie in the general benefits derived by the public from the labors of authors. A copyright, like a patent, is 'at once the equivalent given by the public for benefits bestowed by the genius and meditations and skill of individuals and the incentive to further efforts for the same important objects.' Kendall v. Winsor, 21 How. 327, 328, 16 L.ed. 167, 168; Grant v. Raymond, 6 Pet. 218, 241, 242, 8 L.ed. 376, 384, 385. (Page 1014) (Emphasis added).

The scope of the patent clause of the Constitution was also held to be limited in *Crown Die & Tool Company* v. *Nye Tool & Machine Works*, 261 U.S. 24, 67 L.Ed. 516, 43 S.Ct. 254. There the Plaintiff sued to enjoin the alleged infringement of a patent. In the course of an opinion by Chief Justice Taft the court had occasion to analyze the scope of the power granted to Congress by Article 1, Clause 8, and among other things said:

"The analysis of the rights which a patentee acquires under the grant is sustained by a line of authorities."

* * * * * * * * * *

"The fullest and most satisfactory discussion of the subject is found in the Continental Paper Bag Co. v. Eastern Paper Bag Co., 210 U.S. 405, 52 L.ed. 1122, 28 Sup. Ct. Rep. 748."

* * * * * * * * * *

"The court held that the government did not confer on the patentee the right himself to make, use, or vend his own invention, that such right was a right under the common law, not arising under the Federal Patent Laws, *and not within the grant of power to Congress to enact such laws.*" (Emphasis added.)

* * * * * * * * * *

C. Even with Respect to an Inventor's Exclusive Right to an Invention, the State May Make "Reasonable Regulations" Concerning It

We think it clear that our case does not involve any interference with "securing," "protecting," "shielding" or "guarding" an inventor's "exclusive right" to an invention. But even if it did, *Allen* v. *Riley,* and Mr. Justice Holmes' opinion in *Long* v. *Rockwood, supra* in B above, make it perfectly clear that "reasonable regulations" of even that subject by the States in the exercise of the police power, will be sustained.

D. Even a Broad Grant of Power Such as the Right of Congress to Regulate Interstate Commerce, Can be "Burdened" by the Police Power to Some Extent

The grant of power relating to "securing . . . the exclusive right to . . . discoveries," by the States to the Federal government, is narrow and limited. In this

context the word "securing" appears to mean "shielding" or "guarding", or "protecting the exclusive right to . . . discoveries." This is in great contrast to the broad grant of power to the Federal government to "regulate" interstate and foreign commerce. Indeed, the very use of the word "regulate" imports a sweeping power of control not even hinted at in the narrow verb "securing" . . . the exclusive right to . . . "discoveries." For the word "regulate" means that Congress can "fix, establish, or control; to adjust by rule, method or established mode; to direct by rule or restriction; to subject to governing principles or laws." *Black's Law Dictionary,* 4th Edition, Page 1451. See *United States* v. *Darby,* 312 U.S. 100, 85 L.Ed. 609, 61 S.Ct. 451, 132 A.L.R. 1430.

Accordingly, with this vast gulf between the meaning of these two very different words, one might think that the States could not affect interstate commerce at all. The contrary, however, is true. Even the broad commerce power conferred upon the Federal government must be accommodated to the state police power to a very considerable extent, and may be "indirectly affected" or "burdened" by State regulation.

This is ably and concisely summarized in *Huron Portland Cement Company* v. *The City of Detroit* (1960), 362 U.S. 440, 4 L.Ed. 2d 852, 80 S.Ct. 813. In that case a corporation engaged in operating federally licensed steam vessels in interstate commerce sought to enjoin the enforcement against it of provisions of the Smoke Abatement Code of the City of Detroit under which the Corporation's steam vessels could not, without undergoing structural alterations, perform necessary

cleaning of their fires within the city. The Michigan Supreme Court affirmed a judgment for the defendant, and on appeal that judgment was affirmed by this Court. This Court held that the intent to supersede the exercise by the State of its police power as to matters not covered by Federal legislation is not to be inferred; and that the object of the Federal inspection statutes was different from the aim of the Detroit ordinance. The purpose of the Federal inspection statutes was to insure the seagoing safety of vessels subject to inspection, while the aim of the Detroit ordinance was the elimination of air pollution. This Court held that the Federal inspection legislation has not at all preempted local action, and repeated the admonition of earlier cases that conflicts between state and Federal regulation are not to be sought out where they do not clearly exist. And finally this Court held that the mere possession of a Federal license *"does not immunize a ship from the operation of the normal incidents of local police power not constituting a direct regulation of commerce."* This Court's opinion per Mr. Justice Stewart concluded:

> *"We cannot hold that the local regulation so burdens the federal license as to be constitutionally invalid."* (Emphasis added.)

E. Cases Relied on by Petitioner Do Not Support Its Position

The cases of *Leslie Miller, Inc.* v. *Arkansas* (1956), 352 U.S. 187, 1 L.Ed. 2d 231, 77 S.Ct. 257, and *Johnson* v. *Maryland* (1920), 254 U.S. 51, 65 L.Ed. 126, 41 S.Ct. 16, relied on by Petitioner, do not support its position. Both cases dealt with "the immunity of the instruments of the United States from state control" (352 U.S. 190), something which cannot be said to be pres-

ent in our case. In addition, in *Leslie Miller* v. *Arkansas*, the State had imposed license requirements which "would give the State's licensing board a virtual power of review over the federal determination of 'responsibility' and would thus frustrate the expressed federal policy of soliciting the lowest responsible bidder." In the instant case, however, the requirements with respect to "recognition" of persons by the Patent Office, and those of The Florida Bar with respect to the administration of justice by control of the Courts over the practice of law, relate to wholly different subject matter. The State of Florida has not exerted any "powers of review" over any "federal determination," and no "expressed federal policy" has been "frustrated."

Kingsland v. *Dorsey* (1950), 338 U.S. 318, 94 L.Ed. 123, 70 S.Ct. 123, does not support Petitioner's position. Unlike Petitioner, Dorsey was a lawyer, and was disbarred by the Patent Office. His disbarment was upheld by this Court. Petitioner quotes (brief p. 34) from the decision, p. 319, but omits to state that the quotation given related to a *lawyer* practitioner before the Patent Office. Moreover, it is obvious that Dorsey could have been the subject of separate disciplinary proceedings in the jurisdiction of his admission to the Bar. Petitioner can scarcely claim that Dorsey's disbarment by the Patent Office would prevent the bringing of disciplinary proceedings in such jurisdiction, or would be *res judicata* therein. Thus the case shows how different are the two subjects of (a) admission of a person to a State Bar, and (b) "recognition" by the Patent Office.

POINT EIGHT

THE THRUST OF PETITIONER'S CLAIM IS TO SEEK TO INJECT A HOST OF LAY PRACTITIONERS INTO THE PRACTICE OF LAW THROUGHOUT THE STATES, TO "THWART THE CONTROL OF THE COURTS OVER THE PRACTICE OF LAW AND IRREPARABLY IMPAIR THE SOUND ADMINISTRATION OF JUSTICE."

The brief of the United States (p. 3-5) contains more than a hint of disruption of the practice of law and the administration of justice in the various States which is the necessary thrust of Petitioner's claim. It is that other laymen would claim that they, too, have federal licenses to practice law in some federal field in every State of the Union, free from the supervision of the State Courts. Thus laymen admitted to practice before various administrative agencies might claim that, in every State, they now have federal licenses to practice tax law, transportation law, government contract law, probate, etc. law relating to Veterans, Immigration law, social security law, agricultural law, banking law, labor law, federal power and natural gas law, tariff law, etc. This would destroy the practice of law as a seamless web; decimate the legal profession; "thwart the control of the Courts over the practice of law, and irreparably impair the sound administration of justice," to quote Chief Justice Vanderbilt in *Stack* v. *P. G. Garage, Inc.* (1951), 7 N.J. 118, 80 A.2d 545, 547. See also *Theard* v. *United States* (1957), 354 U.S. 278, 1 L.Ed. 2d 1342, 77 S.Ct. 1274.

POINT NINE

A STRONG BAR IS POSITIVELY ESSENTIAL TO THE PUBLIC WELFARE

It is a fact of no small significance that one of the first acts of dictators such as Hitler, Mussolini, and Castro, upon assuming office, was to decimate the legal profession. And with the decimation of the Bar, there also disappears that protection of the public which the Bar affords—particularly protection of the civil rights of the citizens.

For a strong Bar is itself positively essential to the public welfare. It is the American lawyer who is the bulwark of individual rights in our country, whether these be denominated human rights or property rights. It is he who is the protector of the citizen against oppression, whether from a neighbor or from the government. If the practice of law is to be whittled away, chip by chip, and turned over to laymen and lay agencies, then the public will no longer have the protection which a strong Bar affords, and the public will suffer.

In the leading case of *Rhode Island Bar Ass'n* v. *Automobile Service Ass'n* (1935), 55 R.I. 122, 179 A. 139, where the defendants were held in contempt of court for unlawfully practicing law, the Court, among other things, said:

> "*The bar is an important element of our judicial system,* and all of its members are obligated to govern their professional conduct in full accord with the solemn responsibility which that entails. Under our system of law the most effective guaranty of equal justice to all in the commonwealth is a competent and learned bar composed of men of high personal character who govern their professional conduct at all times by the well known and generally accepted canons of legal ethics. *The lack*

of such a bar, or the coexistence with it of an array of individuals or groups operating under deceptive devices and catch-names to mislead the public into the belief that they are intrusting their causes to those learned in the law and competent to serve them, *would inevitably result in a deprivation of justice to many in the state.* In such an atmosphere, there would be a strong tendency for the bar to sink to the level of its unauthorized and unqualified competitors. (Emphasis added.)

As was cogently summarized in *West Virginia State Bar* v. *Earley* (1959), 144 West Va. 504, 109 S.E. 2d 420, 435, *supra:*

"[21, 22] The justification for excluding from the practice of law persons who are not admitted to the bar and for limiting and restricting such practice to licensed members of the legal profession is not the protection of the members of the bar from competition or the creation of a monopoly for the members of the legal profession, but instead the protection of the public from being advised and represented in legal matters by unqualified and undisciplined persons over whom the judicial department of government could exercise slight or no control. Chicago Bar Association v. United Taxpayers of America, 312 Ill. App. 243, 38 N.E. 2d 349; Lowell Bar Association v. Loeb, 315 Mass. 176, 52 N.E. 2d 27; In re Shoe Manufacturers Protective Association, Inc., 295 Mass. 369, 3 N.E. 2d 746; State ex rel. Wright v. Barlow, 132 Neb. 166, 271 N.W. 282; New Jersey State Bar Association v. Northern New Jersey Mortgage Associates, 22 N.J. 184, 123 A. 2d 498; People v. Alfani, 227 N.Y. 334, 125 N.E. 671; State ex rel. Daniel v. Wells, 191 S.C. 468, 5 S.E. 2d 181. The admission to membership in the legal profession is a privilege granted in the interest of the public to those who are morally fit and mentally qualified for the sole purpose of protecting the unwary and

the ignorant from injury at the hands of persons unskilled or unlearned in the law. Tumulty v. Rosenblum, 134 N.J.L. 514, 48 A. 2d 850. The licensing of lawyers is not designed to give rise to a professional monopoly but instead to serve the public right to protection against unlearned and unskilled advice and service in relation to legal matters. Auerbacher v. Wood, 142 N.J. Eq. 484, 59 A. 2d 863. The reason for the requirement that the practice of law be engaged in only by duly licensed practitioners of the law is to establish and maintain a legal standard by which the rights of persons may not be jeopardized or sacrificed by counsel and advice of unlicensed and incompetent persons who give or attempt to give legal advice, prepare documents and pleadings, file and prosecute proceedings and examine witnesses in courts or other tribunals. State ex rel. Hunter v. Kirk, 133 Neb. 625, 276 N.W. 380. *It is essential to the administration of justice and the proper protection of society that* unlicensed persons be not permitted to prey upon the public by engaging in the practice of law. Clark v. Austin, 340 Mo. 467, 101 S.W. 2d 977. The reason laymen are forbidden to engage in the practice of law is that it is detrimental to the public interest for them to represent themselves to the public that they are qualified to do so when in fact they are not so qualified. Liberty Mutual Insurance Company v. Jones, 344 Mo. 932, 130 S.W. 2d 945, 125 A.L.R. 1149.

"In In re Opinion of the Justices, 279 Mass. 607, 180 N.E. 725, 81 A.L.R. 1059, the court said: '*It is indispensable to the administration of justice* and the interpretation of the laws that there be members of the bar of sufficient ability, adequate learning and sound moral character. This arises from the need of enlightened assistance to the honest, and restraining authority over the knavish, litigant. It is highly important, also, that the public be protected from incompetent and vicious prac-

titioners, whose opportunity for doing mischief is wide. It was said by Cardozo, C.J., in People ex rel Karlin v. Culkin, 248 N.Y. 465, 470-471, 162 N.E. 487: "Membership in the bar is a privilege burdened with conditions." One is admitted to the bar "for something more than private gain." He becomes "an officer of the court, and, like the court itself, an instrument or agency to advance the ends of justice. His co-operation with the court" is due "whenever justice would be imperiled if co-operation was withheld." Without such attorneys at law the judicial department of government would be hampered in the performance of its duties. That has been the history of attorneys under the common law, both in this country and in England.' See also Meunier v. Bernich. (La. Court of Appeal), 170 So. 567." (Emphasis added.)

In *State* v. *Perkins* (1934), 138 Kan. 899, 28 P. 2d 765, a person not admitted to the Kansas Bar was ordered to cease and desist from the practice of law. The Court, among other things, had this to say about the importance to the courts and litigants of preserving the integrity of the Bar and prohibiting unauthorized practice:

"The importance to courts and litigants of well-informed trustworthy attorneys at law is well recognized, and frequently has been judicially noticed. Recently, in Re Opinion of the Justices, 279 Mass. 607, 180 N.E. 725, 727, 81 A.L.R. 1059 it was said: '*It is indispensable to the administration of justice and the interpretation of the laws that there be members of the bar of sufficient ability, adequate learning* and sound moral character. This arises from the need of enlightened assistance to the honest, and restraining authority over the knavish, litigant. It is highly important, also, that the public be protected from incompetent and vicious prac-

titioners, whose opportunity for doing mischief is wide.'

"In Re Cannon, 206 Wis. 374, 240 N.W. 441, 445, it was said: 'The relation of the bar to the courts is a peculiar and intimate relationship. The bar is an attache of the courts. *The quality of justice dispensed by the courts depends in no small degree upon the integrity of its bar. An unfaithful bar may easily bring scandal and reproach to the administration of justice and bring the courts themselves in to disrepute.*'

"The opinion contains an exhaustive history of *the development of the bar as an aid in the administration of justice.*

"In Rosenthal v. State Bar Examining Committee, 116 Conn. 409, 165 A. 211, at page 213, it was said:

'The practice of law is not a craft or a trade; it is a profession whose main purpose is to aid in the doing of justice according to law between the state and the individual and between man and man. The occasions upon which an attorney may be required to act touch, in many instances, the deepest and most precious concerns of men, women, and children. They may involve the liberty, the property, the happiness, the character, and the life of his client. Obviously, one not possessing an adequate degree of intelligence and education cannot perform this kind of service, nor should he be permitted to attempt to do so. * * *

'The ultimate purpose of all regulations of the admission of attorneys is to assure the courts the assistance of advocates of ability, learning, and sound character and to protect the public from incompetent and dishonest practitioners.'" (Emphasis added.)

In *Hexter Title & Abstract Co.* v. *Grievance Committee* (1944), 142 Tex. 506, 179 S.W. 2d 946, *supra*,

the Supreme Court of Texas also pointed out that it would be useless from the standpoint of the public interest to require high standards of the Bar if persons not members could practice the arts of the profession. The Court, among other things, said:

> "*The practice of law is a matter of vital interest to the public.* The lawyer is primarily engaged in the protection and preservation of the liberties and property rights of the people and the administration of justice among them, which is one of the primary purposes of good government. As society has become more compact the law has necessarily become more complex, requiring increased skill in its application. The Legislature in recognition of this fact has from time to time increased the prelegal and legal attainments required for admission to the Bar. These safeguards have been deemed necessary by the Legislature to protect the public against the loss of their liberty and property rights through ill advice from incompetent practitioners. It is readily apparent that it would serve no useful purpose to require high standards of efficiency for members of the legal profession if those who have not attained these standards of efficiency are to be permitted to practice the arts of the profession. Also, the relation between attorney and client is a most intimate one, involving the highest degree of confidence and trust, and in which, as a consequence, there is almost unlimited opportunity for fraud on the part of the attorney. It is apparent, therefore, that those who are to be entrusted with the opportunities of such a position should be possessed of a high degree of integrity. In recognition of this the Legislature has set up machinery for the establishment of canons of ethics for the profession, and the disbarment of those guilty of fraudulent or dishonorable practice or malpractice. *Again, it would be useless to establish high standards of morality for members*

> *of the profession if those who are not members, and therefore not bound by such canons, could practice the arts of the profession.* The State has a vital interest in the regulation of the practice of law for the benefit and protection of the people as a whole, and the legislation above referred to was adopted in furtherance of a wholesome public policy." (Emphasis added.) (pp. 947-8)

In *Clark* v. *Reardon* (1937), 231 Mo. App. 666, 104 S.W. 2d 407, *supra*, where a non-lawyer was adjudged in contempt of court for unlawfully practicing law, the Court, among other things, said:

> "This court has inherent powers to guard the administration of the law in its jurisdiction. That is the primary power. The regulation of attorneys is but secondary and supplemental. It is our duty to see that the law is administered by none except those deemed qualified, as evidenced by a license; and by them only as long as they remain ethically qualified. *It would be illogical* to say that we have the inherent power to revoke the license of, or to punish, one who was once deemed, by competent authority, to be fitted to advise the public in legal matters, and *also to hold that such inherent authority does not extend far enough to protect the public and the reputation of the law, the courts, and the ministers of the law and the courts, against one never considered qualified to advise in and practice the law.* 'To deny the power of the court to deal with such offenders would be tantamount to a destruction of the power itself.' People ex rel. Illinois State Bar Association et al v. People's Stock Yards State Bank, 344 Ill. 462, loc. cit. 473, 176 N.E. 901, 906; Clark et al v. P. H. Coon, supra." (p. 412) (Emphasis added.)

In *State* v. *Barlow* (1936), 131 Neb. 294, 268 N.W. 95, where an information charging a non-lawyer with the

unlawful practice of law was sustained, the Court, among other things, said:

> *"This court possesses inherent power to protect itself and its officers from any unlawful interference wit hits functions as a court.* This it may do, not only for the purpose of protecting the court and its officers, but in the interest of the public at large to prevent it from being exploited and injured by one unlawfully assuming to act as an officer of the court. *There are many instances where persons' rights have been jeopardized and sacrificed because of following the counsel and advice of unlicensed persons, giving or attempting to give legal advice."* (p. 98-99) (Emphasis added.)

In *Grievance Committee, etc.* v. *Coryell* (Tex. Civ. App. 1945), 190 S.W. 2d 130, a notary public who was drawing real estate conveyances and giving opinions on titles was held to have been engaged in the unauthorized practice of law. The Court, among other things, said:

> "The controlling purpose of all laws, rules and decisions with regard to the licensing of lawyers is to protect the public against persons inexperienced and unlearned in legal matters from attempting to perform legal services. Wrong legal advice by a layman is equally injurious whether given for or without consideration or compensation. *The instances are legion where litigation could have been avoided and expense saved had the deed, mortgage, will, or contract involved been drawn by an attorney instead of a layman inexperienced and unlearned in the legal effect of the language used in such instruments.* The paramount purpose of licensing practitioners of law is the protection of the people from the inexperienced and unlearned in law who attempt to practice law without first qualifying themselves in the courses of study and

as to the character requirements prescribed for lawyers. So, independently of any statutory provisions as to what may constitute practice of law, the court has the duty and the inherent power to determine in each case what constitutes the practice of the law, and to inhibit persons from engaging in the practice of law without having obtained a license to do so." (Emphasis added.) (p. 131)

There are many cases showing injury to the public through the incompetence or other deficiencies of unauthorized practitioners in the real estate field.

In *In re Baker* (1951), 8 N.J. 321, 85 A. 2d 505, where non-lawyers were held to have unlawfully engaged in the practice of law by drafting legal instruments, Chief Justice Vanderbilt said:

"We do not consider it to be necessary that a person be engaged in a 'course of conduct' over a period of time in order to be engaged in the practice of law. To impose such a test would result in the wholly absurd situation of this court being called upon to determine how many wills a layman may draw, or how many 'clients' he may advise, or, more bluntly, how many times he may defraud the public by his impositions before he be deemed to be engaged in the practice of law and thus subject to the superintending power of this court. We are of the firm opinion that a single act, e.g., the preparation of a will or the drawing of a power of attorney, may in appropriate circumstances constitute the practice of law. There is no sound reason why the doing of a single act calling for the skills and learning of an attorney does not constitute the practice of law just as most certainly the performance of a single operation by a surgeon constitutes the practice of medicine. *The amateur at law is as dangerous to the community as an amateur surgeon would be.*" (Emphasis added.) (pp. 513-14)

"The soundness of his position is the more evident if it is borne in mind that the *underlying purpose of regulating the practice of law is not so much to protect the public from having to pay fees to unqualified legal advisors as it is to protect the public against the often drastic and far-reaching consequences of their inexpert legal advice.*". (Emphasis added.) (p. 514)

CONCLUSION

Petitioner is no more entitled, by virtue of his "recognition" by the Patent Office, to practice law relating to patents in Florida—that is, outside the courtroom, in Florida—than he is to practice law relating to patents inside the courtroom, that is, in this Court and the other federal Courts, and in the United States Court of Customs and Patent Appeals.

The judgment should be affirmed.

Respectfully submitted,

For The American Bar Association:

F. Trowbridge vom Baur, Washington, D. C.
H. H. Perry, Jr., Albany, Georgia
Wayland B. Cedarquist, Chicago, Illinois
Jonathan F. Ells, Winsted, Connecticut
Raymond Reisler, Brooklyn, New York
Warren H. Resh, Madison, Wisconsin
R. Carleton Sharretts, Jr., Baltimore, Maryland
George H. Turner, Lincoln, Nebraska
Melvin F. Adler, Fort Worth, Texas

Dated: 6 February, 1963

APPENDIX A

Constitution of the United States

Art. I, Sec. 8, cl. 8. The Congress shall have power . . . To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.

• • • • • • • • • • •

Art. I, Sec. 8, cl. 18. The Congress shall have Power . . . To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

• • • • • • • • • • •

Art. VI, cl. 2. This Constitution, and the Laws of the United States which shall be made in Pursuance thereof and all treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, anything in the Constitution or Laws of any State to the contrary notwithstanding.

Amendment X. The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the states respectively, or to the people.

Constitution of the State of Florida

Art. II. The powers of the government of the State shall be divided into three departments: Legislative, Executive and Judicial. No person properly belonging to one of the departments shall exercise any powers appertaining to either of the other departments, except in cases expressly provided for by this constitution.

Art. V, § 1. The judicial power of the State of Florida is vested in a supreme court, district courts of appeal, circuit courts, Court of Record of Escambia County, criminal courts of record, county courts . . . and such other courts, including municipal courts, or commissions, as the Legislature may from time to time ordain and establish.

§ 23. The supreme court shall have exclusive jurisdiction over the admission to practice law and the discipline of persons admitted. . . .

Section 2, Article 2, of the Integration Rule of The Florida Bar, 31 F.S.A.:

"No person shall engage in any way in the practice of law in this state unless such person is an active member of The Florida Bar, in good standing, except that a practicing attorney of another state, in good standing, who has professional business in a court of record of this state may, upon motion, be permitted to practice for the purpose of such business only, when it is made to appear that he has associated and appearing with him in such business an active member of The Florida Bar."

Acts of Congress

(1) In effect when Petitioner was admitted to practice before the Patent Office in 1928:

Section 487 of the Revised Statutes, As Amended by § 3 of the Act of February 18, 1922, 42 Stat. 390, 35 U.S.C. § 11 (1946):

The Commissioner of Patents, subject to the approval of the Secretary of the Interior, may prescribe rules and regulations governing the recognition of agents, attorneys, or other persons representing applicants or other parties before his office, and may require of such persons, agents, or attorneys, before being recognized as representatives of applicants or other persons, that they shall show that they are of good moral character and in good repute, are possessed of the necessary qualifications to enable them to render to applicants or other persons valuable service, and

are likewise competent to advise and assist applicants or other persons in the presentation or prosecution of their applications or other business before the office. And the Commissioner of Patents may, after notice and opportunity for a hearing, suspend or exclude, either generally or in any particular case, from further practice before his office any person, agent, or attorney shown to be incompetent or disreputable, or guilty of gross misconduct, or who refuses to comply with the said rules and regulations, or who shall, with intent to defraud in any manner, deceive, mislead, or threaten any applicant or prospective applicant, or other person having immediate or prospective business before the office, by word, circular, letter, or by advertising. The reasons for any such suspension or exclusion shall be duly recorded. And the action of the Commissioner may be reviewed upon the petition of the person so refused recognition or so suspended or excluded by the Supreme Court of the District of Columbia under such conditions and upon such proceedings as the said court may by its rules determine.

Section 483 of the Revised Statutes (As Amended by § 12 of the Act of February 14, 1903, 32 Stat. 830, 35 U.S.C. § 6 (last sentence) (1946)

The Commissioner of Patents may, subject to the approval of the Secretary of Commerce, from time to time establish regulations, not inconsistent with law, for the conduct of proceedings in the Patent Office.

(2) Currently in effect:

35 U.S.C. §§ 31, 32, 33:

§ 31. The Commissioner, subject to the approval of the Secretary of Commerce, may prescribe regulations governing the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Patent Office, and may require them, before being recognized as representatives of applicants or other persons, to show that they are of good moral character and reputation and are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office.

§ 32. The Commissioner may, after notice and opportunity for a hearing, suspend or exclude, either generally or in any particular case, from further practice before the Patent Office, any person, agent, or attorney, shown to be incompetent or disreputable, or guilty of gross misconduct, or who does not comply with the regulations established under section 31 of this title, or who shall, by word, circular, letter, or advertising, with intent to defraud in any manner, deceive, mislead, or threaten any applicant or prospective applicant, or other person having immediate or prospective business before the Office. The reasons for any such suspension or exclusion shall be duly recorded. The United States District Court for the District of Columbia, under such conditions and upon such proceedings as it by its rules determines, may review the action of the Commissioner upon the petition of the person so refused recognition or so suspended or excluded.

§ 33. Whoever, not being recognized to practice before the Patent Office, holds himself out or permits himself to be held out as so recognized, or as being qualified to prepare or prosecute applications for patent, shall be fined not more than $1,000 for each offense.

35 U.S.C. § 6 (last sentence):

The Commissioner of Patents may, subject to the approval of the Secretary of Commerce, establish regulations, not inconsistent with law, in the conduct of proceedings in the Patent Office.

Rules of Practice of the United States Patent Office in Patent Cases

(1) Rules of Practice, U. S. Patent Office, Edition of February 1, 1929:

ATTORNEYS

17. An applicant or an assignee of the entire interest may prosecute his own case, but he is advised, unless familiar with such matters, to employ a competent patent attorney, as the value of patents depends largely upon the skillful preparation of the specification and claims. The office can not aid in the selection of an attorney.

A register of attorneys will be kept in this office, on which will be entered the names of all persons entitled

to represent applicants before the Patent Office in the presentation and prosecution of applications for patent. The names of persons in the following classes will, upon their written request, be entered upon this register:

(*a*) Any attorney at law who is in good standing in any court of record in the United States or any of the States or Territories thereof and who shall furnish a certificate of the clerk of such United States, State, or Territorial court, duly authenticated under the seal of the court, that he is an attorney in good standing, and who shall file proof that he is possessed of the legal and technical qualifications enumerated in paragraph (*b*).

(*b*) Any person not an attorney at law who is a citizen or resident of the United States and who shall file proof to the satisfaction of the Commissioner that he is of good moral character and of good repute and possessed of the necessary legal and technical qualifications to enable him to render applicants for patents valuable service and is otherwise competent to advise and assist them in the presentation and prosecution of their applications before the Patent Office.

* * * * * * * * * *

(*e*) The Commissioner may require proof of qualifications other than those specified in paragraph (*a*) and reserves the right to decline to recognize any attorney, agent, or other person applying for registration under this rule.

(*f*) Any person or firm not registered and not entitled to be recognized under this rule as an attorney or agent to represent applicants generally may, upon a showing of circumstances which render it necessary or justifiable, be recognized by the Commissioner to prosecute as attorney or agent certain specified application or applications, but this limited recognition shall not extend further than the application or applications named.

(*g*) No person not registered or entitled to recognition as above provided will be permitted to prosecute applications before the Patent Office.

(*h*) Every attorney registered to practice before the United States Patent Office shall submit to the Commissioner of Patents for approval copies of all proposed advertising matter, circulars, letters, cards, etc., intended to

solicit patent business, and if it be not disapproved by him and the attorney so notified within 10 days after submission, it may be considered approved.

Any registered attorney sending out or using any such matter, a copy of which has not been submitted to the Commissioner of Patents in accordance with this rule, or which has been disapproved by the Commissioner of Patents, shall be subject to suspension or disbarment.

Before his name may be entered on the Register of Attorneys every applicant must subscribe and swear to an oath prescribed by the Commissioner of Patents and pay to the Patent Office a registration fee of $5.

18. Before any attorney, original or associate, will be allowed to inspect papers or take action of any kind, his power of attorney must be filed. But general powers given by a principal to an associate can not be considered. In each application the written authorization must be filed. A power of attorney purporting to have been given to a firm or copartnership will not be recognized, either in favor of the firm or of any of its members, unless all its members be named in such power of attorney.

19. Substitution or association can be made by an attorney upon the written authorization of his principal; but such authorization will not empower the second agent to appoint a third.

20. Powers of attorney may be revoked at any stage in the proceedings of a case upon application to and approval by the Commissioner; and when so revoked the office will communicate directly with the applicant, or another attorney appointed by him. An attorney will be promptly notified by the docket clerk of the revocation of his power of attorney. An assignment will not operate as a revocation of the power previously given, but the assignee of the entire interest may be represented by an attorney of his own selection.

21. Parties or their attorneys will be permitted to examine their cases in the attorneys' room, but not in the rooms of the examiners. Personal interviews with examiners will be permitted only as hereinbefore provided. (See rule 13).

22. (*a*) Applicants and attorneys will be required to conduct their business with the office with decorum and courtesy. Papers presented in violation of this requirement will be submitted to the Commissioner and returned by his direct order.

(*b*) Complaints against examiners and other officers must be made in communications separate from other papers and will be promptly investigated.

(*c*) The Commissioner of Patents may, after notice and opportunity for a hearing, suspend or exclude, either generally or in any particular case, from further practice before his office any person, agent, or attorney shown to be incompetent or disreputable, or guilty of gross misconduct, or who refuses to comply with the rules and regulations, or who shall, with intent to defraud in any manner, deceive, mislead, or threaten any applicant or prospective applicant, or other person having immediate or prospective business before the office, by word, circular, letter, or by advertising, or who shall guarantee the successful prosecution of any application for patent or the procurement of any patent, or by word, circular, letter, or advertisement shall make any false promise or misleading representation, or who uses the name of any Member of either House of Congress or of any officer of the Government in advertising his business. (Act approved April 27, 1916.) The reasons for any such suspension or exclusion shall be duly recorded. And the action of the Commissioner may be reviewed upon the petition of the person so refused recognition or so suspended or excluded by the Supreme Court of the District of Columbia under such conditions and upon such proceedings as the said court may by its rules determine.

(*d*) The Commissioner of Patents may appoint a Grievance Committee or Grievance Committees of those admitted to practice before the Patent Office. The Commissioner may refer to such committee such complaints against those admitted to practice before the Patent Office as he deems advisable. The committee or a subcommittee thereof may investigate and determine whether the complaint is well founded and, if so, present charges for suspension or exclusion from practice.

(2) Current Rules of Practice, 37 C.F.R. §§ 1.31, 1.341—1.348:

§ 1.31. Applicants may be represented by an attorney or agent. An applicant for patent may file and prosecute his own case, or he may be represented by an attorney or agent authorized to practice before the Patent Office in patent cases. The Patent Office cannot aid in the selection of an attorney or agent.

§ 1.341. Registration of attorneys and agents. A register of attorneys and a register of agents are kept in the Patent Office on which are entered the names of all persons recognized as entitled to represent applicants before the Patent Office in the preparation and prosecution of applications for patent. **Registration in the Patent Office under the provisions of these rules shall only entitle the persons registered to practice before the Patent Office.**

(a) *Attorneys at law.* Any attorney at law in good standing admitted to practice before any United States Court or the highest court of any State or Territory of the United States who fulfills the requirements and complies with the provisions of these rules may be admitted to practice before the Patent Office and have his name entered on the register of attorneys.

(b) *Agents.* Any citizen of the United States not an attorney at law who fulfills the requirements and complies with the provisions of these rules may be admitted to practice before the Patent Office and have his name entered on the register of agents.

(c) *Requirements for registration.* No person will be admitted to practice and registered unless he shall apply to the Commissioner of Patents in writing on a prescribed form supplied by the Commissioner and furnish all requested information and material; and shall establish to the satisfaction of the Commissioner that he is of good moral character and of good repute and possessed of the legal and scientific and technical qualifications necessary to enable him to render applicants for patents valuable service, and is otherwise competent to advise and assist them in the presentation and prosecution of their applications before the Patent Office. In order that the Commissioner may determine whether a person seeking to

have his name placed upon either of the registers has the qualifications specified, satisfactory proof of good moral character and repute, and of sufficient basic training in scientific and technical matters must be submitted and an examination which is held from time to time must be taken and passed. The taking of an examination may be waived in the case of any person who has actively served for four years in the examining corps of the Patent Office.

(d) *Registration of firms.* Any firm, the individual members of which are each registered on the register of attorneys, may have its name entered upon the register of attorneys. Any firm, one of the individual members of which is registered on the register of agents and each of the remaining individual members are registered either on the register of attorneys or the register of agents, may have its name entered on the register of agents. If the membership of the firm is changed, application must be made for registration of the firm as changed.

(e) *Foreign patent attorneys and agents.* Any foreign patent attorney or agent not a resident of the United States who shall file proof to the satisfaction of the Commissioner that he is registered and in good standing before the patent office of the country in which he resides and practices, and is possessed of the qualifications stated in paragraph (*c*) of this rule, may be registered on the register of agents as entitled to represent applicants located in such country before the United States Patent Office in the presentation and prosecution of applications: *Provided*, That the patent office of such country allows substantially reciprocal privileges to those admitted to practice before the United States Patent Office. Such registration shall continue only during the period that the conditions specified obtain.

(f) *Government employees.* Officers and employees of the United States who are disqualified by statute (18 U.S.C. 281) from practicing as attorneys or agents in proceedings or other matters before Government departments or agencies, may not be registered, and if any registered attorney or agent becomes such an officer or employee, his name on the register shall be endorsed as inactive during the period of such employment, but officers or employees whose official duties require the preparation and prosecu-

tion of applications for patent may be registered (on compliance with these rules) or recognized to practice, to the extent necessary to carry out their official duties.

(g) *Former examiners.* No person who has served in the examining corps of the Patent Office will be registered after termination of his services, nor, if registered before such service, be reinstated, unless he undertakes (1) not to prosecute or aid in any manner in the prosecution of any application pending in any examining division in which he served, on the date he left said division; and (2) not to prepare or prosecute nor to assist in any manner in the preparation of prosecution of any application of another filed within two years after the date he left such division, and assigned to such division, without the specific authorization of the Commissioner. Associated and related classes in other divisions may be required to be included in the undertaking or designated classes may be excluded. In case application for registration or reinstatement is made after resignation from the Office, the applicant will not be registered, or reinstated, if he has prepared or prosecuted, or assisted in the preparation or prosecution of any such application as indicated in this paragraph.

(h) *Oath and registration fee.* Before his name may be entered on the register of attorneys or on the register of agents, every applicant for registration must, after his application is approved, subscribe and swear to an oath prescribed by the Commissioner of Patents and pay the prescribed registration fee. (See § 1.21.)

(i) *Committee on Enrollment.* The Commissioner may establish a Committee on Enrollment to receive and act upon applications for registration to practice before the Patent Office, to conduct and supervise the examinations provided for in paragraph (c) of this rule, to maintain the registers and to perform such other duties in connection with enrollment and recognition of attorneys and agents as may be necessary; or such functions may be performed by designated officials of the Patent Office. Any action of such committee or official may be reviewed by the Commissioner.

§ 1.342. Limited recognition. Any person not registered and not entitled to be recognized under § 1.341 as an attorney or agent to represent applicants generally may,

upon a showing of circumstances which render it necessary or justifiable, be recognized by the Commissioner to prosecute as attorney or agent a specified application or applications, but this limited recognition shall not extend further than the application or applications specified.

§ 1.343. Persons not registered or recognized. No person or firm not registered or specifically recognized as provided in § 1.342 will be permitted to prosecute applications of others before the Patent Office.

§ 1.344. Professional conduct. Attorneys and agents appearing before the Patent Office must conform to the standards of ethical and professional conduct generally applicable to attorneys before the courts of the United States.

§ 1.345. Advertising. (a) The use of advertising, circulars, letters, cards, and similar material to solicit patent business, directly or indirectly, is forbidden as unprofessional conduct, and any person engaging in such solicitation, or associated with or employed by others who so solicit, shall be refused recognition to practice before the Patent Office or may be suspended, excluded or disbarred from further practice.

(b) The use of simple professional letterheads, calling card, or office signs, simple announcements necessitated by opening an office, change of association, or change of address, distributed to clients and friends, and insertion of listings in common form (not display) in a classified telephone or city directory, and listings and professional cards with biographical data in standard professional directories shall not be considered a violation of this rule.

(c) *No agent shall, in any material specified in paragraph (b) of this section or in papers filed in the Patent Office, represent himself to be an attorney, solicitor or lawyer.*

§ 1.346. Signature and certificate of attorney. Every paper filed by an attorney or agent representing an applicant or party to a proceeding in the Patent Office must bear the signature of such attorney or agent, except papers which are required to be signed by the applicant or party in person (such as the application itself and affidavits required of applicants). The signature of an attorney

or agent to a paper filed by him, or the filing or presentation of any paper by him, constitutes a certificate that the paper has been read; that its filing is authorized; that to the best of his knowledge, information, and belief there is good ground to support it; and that it is not interposed for delay. When an applicant or party is represented by a registered firm, such papers must carry the signature of the firm, or the signature of an individual member of the firm or an individual registered attorney or agent employed by the firm and duly authorized to sign on behalf of the firm in addition to the firm name, and the certification constituted by the signing or presentation of the paper shall be a certification by and on behalf of the firm and by the individual.

§ 1.347. Removing names from registers. Attorneys, agents, and firms, registered to practice before the Patent Office, should notify the Office of any change of address for entry on the register, by letter separate from any notice of change of address filed in individual applications. The Office may address a letter to any person or firm on the registers, at the address of which separate notice for the register was last received, for the purpose of ascertaining whether such person or firm desires to remain on the register. The name of any person or firm failing to reply and give the information requested within a time limit specified will be removed from the register, and the names so removed published in the Official Gazette. Any name so removed may be reinstated, either on the register of attorneys or the register of agents, as may be appropriate.

§ 1.348. Suspension or disbarment proceedings. Except as otherwise provided, proceedings for suspension, disbarment, or exclusion from practice are before a Commissioner.

(a) *Investigating and prosecuting officer.* The duties of investigation, preparing charges, collecting and presenting testimony, and presenting a case for suspension, exclusion from practice or disbarment shall be performed by the Solicitor of the Patent Office or, at his direction, by a designated law examiner or other person, and neither the Solicitor nor such law examiner or other person shall participate in any manner in the decision of the case. If, upon investigation of a complaint or other informa-

tion concerning an attorney or agent, it shall appear to the Solicitor that grounds for suspension, exclusion from practice, or disbarment exist, he shall prepare and forward the necessary notice and statement.

(b) *Notice of proceedings.* Proceedings for suspension or disbarment shall be instituted by the Solicitor by mailing to, or otherwise serving on, the respondent a notice of such proceeding with a statement of the charges against him, at the same time forwarding a copy to the Commissioner. It shall be the duty of the respondent to answer the charges as specified in paragraph (c) of this rule.

(c) *Answer.* The respondent's answer shall be filed in writing with the Commissioner within thirty days from the time the notice is served on the respondent, or within such extension of time as may be allowed by the Commissioner for good cause shown. The answer shall be under oath. Failure to answer within the time allowed will be taken as an admission of the charges. The respondent in his answer should specifically admit or deny every material allegation of fact in the statement of charges; every allegation not denied shall be deemed admitted, unless the respondent states that he has no knowledge thereof sufficient to form a belief, which statement shall be considered a denial. Any special matters of defense shall be stated affirmatively in the answer. False statements in the answer may be made the basis of supplemental charges.

(d) *Hearing.* (1) Unless the Commissioner finds the answer sufficient to dispose of the charges, he will set the case for hearing before him, notifying the respondent and the Solicitor of the place, day and time of commencement of the hearing. Evidence as to the matters in issue may be submitted at the hearing, the testimony of witnesses being presented orally, under oath and reported.

(2) The hearing may be advanced and continued by the Commissioner, as far as may be deemed convenient and proper.

(3) Depositions for use at the hearing in lieu of personal appearance of witnesses may be taken by either the Solicitor or the respondent on application to and with the written consent of the Commissioner within such times and under such conditions as the Commissioner may prescribe.

(e) *Hearing officer.* The Commissioner may, in his discretion, delegate the conduct of the hearing to a hearing or trial examiner who shall be the presiding officer and who shall make a recommended decision.

(f) *Administrative Procedure Act.* Proceedings shall be governed, in matters not specially set forth herein, by the provisions of the Administrative Procedure Act, 60 Stat. 237; 5 U.S.C. 1001-1011, which may be applicable. (Emphasis added.)

Current Trademark Rules of Practice of the U. S. Patent Office, 37 C.F.R. §§ 2.11—2.18:

REPRESENTATION BY ATTORNEYS AND AGENTS

AUTHORITY NOTE: Rules 2.11 to 2.19 interpret or apply 66 Stat. 705; 35 U.S.C. 31, 32.

2.11 *Applicants may be represented by an attorney.* The owner of a trademark may file and prosecute his own application for registration of such trademark, or he may be represented by an attorney or other person authorized to practice in trademark cases. The Patent Office cannot aid in the selection of an attorney or agent.

2.12 *Persons who may practice before the Patent Office in trademark cases.* (a) Any person who is a member in good standing of the bar of the Supreme Court of the United States or of the highest court of any State, Territory, or the District of Columbia, and is not under any order of any court suspending, enjoining, restraining, disbarring, or otherwise restricting him in the practice of law, may represent others before the Patent Office in trademark cases. No application for recognition to practice in trademark cases by attorneys at law is required.

(b) Nonlawyers: *Persons who are not attorneys at law* as specified in paragraph (a) of this section *are not recognized to practice before the Patent Office in trademark cases, except that persons not attorneys at law who were recognized to practice under the rules prior to January 1, 1959* (former rule 100.42), and who in fact practiced in *connection with applications for registration filed since* July 5, 1947, *will be recognized as agents to continue practice in trademark cases in the Patent Office.*

(c) Foreign attorneys and agents: Any foreign attorney or agent not a resident of the United States who shall file proof to the satisfaction of the Commissioner that he is

registered and in good standing before the patent or trademark office of the country in which he resides and practices, may be recognized to represent applicants located in such country before the United States Patent Office in the presentation and prosecution of trademark applications: *Provided*, That the patent or trademark office of such country allows substantially reciprocal privileges to those permitted to practice in trademark cases before the United States Patent Office. Such recognition shall continue only during the period that the conditions specified obtain.

(d) Recognition of any person under this section is not to be construed as sanctioning or authorizing the performance of any acts regarded in the jurisdiction where performed as the unauthorized practice of law.

(e) No persons other than those mentioned in paragraphs (a), (b), and (c) of this section will be permitted to practice before the Patent Office in trademark cases. Any person may appear for himself, or for a firm of which he is a member, or for a corporation or association of which he is an officer and which he is authorized to represent, if such person, firm, corporation, or association is a party to the proceeding.

(f) Persons otherwise entitled to be recognized to practice under this section may, nevertheless, be refused recognition for cause.

2.13 *Professional conduct.* Attorneys and other persons appearing before the Patent Office in trademark cases must conform to the standards of ethical and professional conduct generally applicable to attorneys before the courts.

2.14 *Advertising.* (a) The use of display advertising, circulars, letters, cards, and similar material to solicit trademark busines, directly or indirectly, is forbidden as unprofessional conduct, and any person engaging in such solicitation, or associated with or employed by others who so solicit, shall be refused recognition to practice before the Patent Office or suspended or excluded from further practice.

(b) The use of simple professional letterheads, calling cards, or office signs; simple announcements necessitated by opening an office, change of association, or change of address, distributed to clients and friends, and insertion of professional cards, listings in common form (not dis-

play) in a classified telephone or city directory, and listings and professional cards with biographical data in standard professional directories are not prohibited.

(c) *No agent shall, in any material specified in paragraph (b) of this section or in papers filed in the Patent Office, represent himself to be an attorney, solicitor or lawyer.*

2.15 *Signature and certificate of attorney or agent.* (a) Every paper filed by an attorney at law or other person representing an applicant or party to a proceeding in the Patent Office must bear the signature of such attorney at law or other person except those papers which are required to be signed by the applicant or party (such as the application itself and verifications required of applicants, registranst or others). The signature of an attorney at law or such other person to a paper filed by him, or the filing of any paper by him, constitutes a certificate that the paper has been read; that its filing is authorized; that to the best of his knowledge, information, and belief there is good ground to support it; and that it is not interposed for delay.

(b) When an applicant or party is represented by a firm composed of attorneys at law, papers may carry the signature or name of the firm, with the signature of a member or associate of the firm.

(c) When an applicant or party is represented by a firm (registered in accordance with rule 1.341 (d) of this chapter) which includes one or more nonlawyers, papers may carry the signature or name of the firm, but in any case, they must carry the signature of an individual member of the firm or of an individual employee of the firm who is registered in the Patent Office and who is authorized to sign on behalf of the firm, the certification referred to in paragraph (a) of this section shall, in either case, be a certification by and on behalf of the firm and by the individual.

2.16 *Suspension or exclusion from practice.* The Commissioner of Patents may, after notice and opportunity for a hearing, suspend or exclude, either generally or in any particular case, from further practice before the Patent Office any person, attorney, or agent shown to be incompetent or disreputable, or guilty of unethical or unprofessional conduct or gross misconduct, or who refuses to comply with the rules and regulations, or who shall, with intent to

defraud in any manner, deceive, mislead, or threaten any applicant or prospective applicant or other person having immediate or prospective business before the Patent Office, by word, circular, letter, or in any other manner. The reasons for any such suspension or exclusion shall be duly recorded. Proceedings for suspension, disbarment or exclusion from practice are conducted as provided in rule 1.348. (See 35 U. S. C. 1952, sec. 32 for review of the Commissioner's action by the District Court of the United States for the District of Columbia.)

2.17 *Recognition for representation.* (a) When an attorney at law acting in a representative capacity appears in person or signs a paper in practice before the Patent Office in a trademark case, his personal appearance or signature shall constitute a representation to the Patent Office that under the provisions of these rules and the law he is authorized, and qualified under rule 2.12 (a), to represent the particular party in whose behalf he acts. Further proof of authority to act in a representative capacity may be required.

(b) Before any nonlawyer will be allowed to take action of any kind in any application or proceeding, a written authorization from the applicant, party to the proceeding, or other person entitled to prosecute such application or proceeding must be filed therein.

2.18 *Correspondence held with attorney or agent.* Correspondence will be held with the attorney at law, or other recognized person who shall have filed his written authorization, representing the applicant or party to a proceeding. Double correspondence will not be undertaken, and if more than one attorney at law appears or more than one agent is authorized, correspondence will be held with the one last appearing or appointed, as the case may be, unless otherwise requested.

2.19 *Revocation of power of attorney or authorization of agent.* Authority to represent an applicant or a party to a proceeding may be revoked at any stage in the proceedings of a case upon notification to the Commissioner; and when it is so revoked, the Office will communicate directly with the applicant or party to the proceeding or with such other qualified person as may be authorized. The Patent Office will notify the person affected of the revocation of his authorization. (Emphasis added.)

APPENDIX B

The Inherently Legal Character of The Acts Enjoined by The Florida Supreme Court

A. In General:

The Court below permanently enjoined the Petitioner from the following activities in this State:

1. using the term "patent attorney" or holding himself out to be an attorney at law in this State in any field or phase of the law (we recognize that the respondent according to the record before us has already voluntarily ceased the use of the word "attorney");
2. rendering legal opinions, including opinions as to patentability or infringement on patent rights;
3. preparing, drafting and construing legal documents;
4. holding himself out, in this state, as qualified to prepare and prosecute applications for letters patent, and amendments thereto;
5. preparation and prosecution of applications for letters patent, and amendments thereto, in this state; and
6. otherwise engaging in the practice of law.

First, Petitioner has admitted activities falling within the scope of each of the items enjoined, although his brief contests the injunctive provisions of each of these paragraphs with the exception of the first.

Paragraph 2: More particularly, he admits (R. 7) having rendered legal opinions, including opinions as to patentability or infringement upon patent rights as prohibited in Paragraph 2. But he seeks to justify this on the theory that anyone holding himself out to the public as being entitled to prepare applications must, during the course of those activities, reach conclusions on patentability and infringement and communicate those conclusions to his client before preparing the application.

We agree with Petitioner that the rendering of such opinions to members of the public is an inherent part of preparing patent applications. In the next section, B, we will develop the factual necessity for rendering legal opinions on patentability, as well as on numerous other legal questions, prior to the preparation of an application for a patent. And we will show how such decision will, if made in error (or, indeed, if made in ignorance of the fact that a legal problem exists), materially affect the ultimate strength and utility of the patent to be issued upon such an application. All in all, the giving of any legal opinion, the implementation of which will materially affect the legal rights and status of the opinionee, is the practice of law.

Paragraph 3: This paragraph is directed to the Petitioner's admitted activities (R. 7) in connection with the drafting of such legal documents as patent assignments and patent license agreements. Petitioner apparently does not contest this portion of the decree. We do not think extended argument is necessary to demonstrate that these are legal documents.

Paragraph 4: This paragraph goes to Petitioner's admitted activities (R. 7) in holding himself out in Florida as qualified to prepare applications for letters patent and amendments thereto. As we will develop in more detail in the next section, B, every stage of the preparing of a patent application, and every stage of the preparation of amendments thereto, necessarily involve an evaluation of complex legal questions which go not only to the question of whether or not the Applicant will get a patent but, even more important, go to the strength and breadth of that patent and hence the strength and breadth of the protection that the client can expect to obtain therefrom.

Paragraph 5: This paragraph is designed to prevent Petitioner from preparing patent applications and related

acts in the State of Florida. In our next section, B, we will develop the keenly-legal character of patent applications and the process of their preparation.

Paragraph 6, the omnibus clause, encompasses all other aspects of the practice of law set forth in the record but which are not specifically covered by the other portions of the injunction. Apparently petitioner does not contest it. One main item undoubtedly enjoined by this paragraph is trademark practice in Florida. For the Petitioner himself admits (R. 8) to his continued practice on trademark matters arising in Florida.

In addition to this admission of being engaged in trademark practice, the fact is that Petitioner has caused himself to be "recognized" by the Commissioner of Patents under Trademark Rule 2.12(b)* and now insists that such "recognition" gives him the right to engage in such practice in Florida, even though the same Trademark Rule states:

> "(d) Recognition of any person under this section is not to be construed as sanctioning or authorizing the performance of any acts in the jurisdiction when performed as the unauthorized practice of law."

There can be no real question that the practice of trademark cases is the practice of law. Such practice includes, in every instance, a determination of whether a given mark is likely to be confused with other registered trademarks, and, in at least many instances, includes conducting inter partes proceedings before the Patent Office wherein that question is fully litigated.

Accordingly, paragraph 6 enjoined, among other things, Petitioner's trademark practice in Florida.

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* See card index of persons admitted to practice under Trade Mark Rule 2.12(b). Room 205, Dept. of Commerce Annex, 18th and K N.W., Washington, D.C.

B. The Preparation of Patent Applications Constitutes the Practice of Law:

1. *In General:*

That the preparation of patent applications constitutes the practice of law should be clear, first, from the very nature of a patent granted by the United States Patent Office. It is a formal legal document constituting a contract between the patentee and the United States in which, as consideration for a disclosure of an invention to the public, the patentee is granted by the government the right to exclude others from making, using and selling the subject matter of the patent for a limited period of time. Indeed, the basic character of a United States Patent has been recognized by the United States Supreme Court. Thus in *Topliff v. Topliff, et al.*, (1892), 145 U.S. 156, 171, the Court stated:

> "The specification and claims of a patent particularly if the invention be at all complicated, constitute one of the most difficult legal instruments to draw with accuracy— * * * "

In *National Carbon* v. *Western Shade Cloth Co.*, (7 Cir., 1937) 93 F. 2d 94, 96 the Court stated:

> "Specifications of the patent, including the description and the claims, constitute a contract between the public and the patentee, under which the public, through the government, agrees that, in consideration of the inventor's disclosure of his teaching and his grant of the right to use the same after his monopoly expires, he shall be protected in his exclusive use during the life of the patent."

See also *Strong-Scott Mfg. Co.* v. *Weller, et al.*, (8 Cir., 1940) 112 F. 2d 389, 394:

> "Letters patent are contracts between the United States and the patentee and should, like other contracts, be construed as a whole, not for the purpose of

varying their claims, but in order to ascertain the actual intent of the parties to the contract."

A thorough knowledge of the law including the patent statutes and the many decisions interpreting these statutes is essential to the preparation of this legal instrument, this contract, namely a United States letters patent.

It has been argued that the preparation of a patent application can be likened to the preparation of a deed. (Brief of American Association of Registered Attorneys and Agents, Amicus Curiae, p. 10). Assuming the validity of this analogy, the application thereof to the facts by the American Association of Registered Attorneys and Agents is incorrect. The Association claims that the patent attorney or agent should be compared to the surveyor who determines the metes and bounds. This is completely incorrect. The inventor gives the metes and bounds of his invention to the attorney as the surveyor gives the metes and bounds of a piece of property to the attorney. Thereafter, it is the attorney who prepares the deed or the patent application in accordance with the law, describing the property (either real property or an invention) as required by the law. The person preparing the patent application does not discover the metes and bounds. He is not the inventor. These facts are disclosed to him by the inventor. Like any attorney, he must be able to understand the terms used by the client, the inventor. But he is not an inventor any more than an attorney preparing a deed is a surveyor, or an attorney preparing a pension plan contract is an expert on pension plans, or an attorney preparing a labor contract is an expert on industrial relations, or an attorney trying a law suit requiring medical testimony is a doctor. In each case, the attorney draws the facts from the experts, the inventor, the surveyor, the pension planner, the industrial relation expert or the doctor, and presents them in the form required by law to protect his client's interests.

Thus it seems obvious that the preparation of these "*most difficult legal instruments*" is the practice of law. What are the legal determinations involved in the preparation of a patent application? Briefly stated, many may be summarized as follows:

(1.) Is there patentable subject matter? (35 U.S.C. 101)

(2.) Does the invention constitute a patentable advance over the art? (35 U.S.C. 103)

(3.) Has there been a statutory bar, a public use or a printed publication? (35 U.S.C. 102)

(4.) Who is the inventor of the patentable invention?

(5.) Who owns title to the invention?

(6.) Does the patent application contain a clear and concise description of the invention? (35 U.S.C. 112)

(7.) Do the claims in the patent application particularly point out and distinctly claim the patentable subject matter? (35 U.S.C. 112)

(8.) Does the oath and drawing comply with the statutes? (35 U.S.C. 113, 115)

(9.) Is the inventor entitled to an earlier filing date that should be asserted? (35 U.S.C. 119, 120)

Legal conclusions on these matters should be made before an application is filed. Later, many of these questions are raised by the Patent Office and new decisions reached in view of facts discovered by the Patent Office, which should be anticipated to the fullest extent practicable before the application is filed. Many additional questions are raised, such as:

1. What facts should be presented to the Patent Office by affidavit to establish a date of invention, commercial success, the state of the art, etc.?

2. Should an appeal be filed, and, if so, to what tribunal?

3. What facts should be included in a preliminary statement in an interference?

4. What motions should be prepared and filed in an interference?

5. What testimony should be taken in an interference proceeding?

Even after a patent has issued, difficult questions arise as to possible further proceedings in the Patent Office:

1. Should a portion of the patent be disclaimed?

2. Should a reissue application be filed?

The matter in which these questions pervade the entire subject of preparation of a patent application can only be fully understood by a more detailed examination of the proceeding leading to the issuance of letters patent.

2. *Legal Questions Requiring Decision Before a Patent Application Is Prepared:*

At the outset, before even a preliminary draft of a patent application can be prepared, the practitioner has many difficult legal questions to consider. First, he must determine whether the subject matter of the invention is in fact, patentable subject matter (35 U.S.C. 101). Is the subject matter a process, machine, manufacture or composition of matter which can be patented? Or, is it a mental process or merely an idea which are not patentable subject matter? Is the subject matter a writing which should be protected under the copyright laws? Is the subject matter a design which should be protected with a design patent rather than a utility patent? Finally, the practitioner must decide whether his client's interest would best be served by maintaining the invention a secret and relying on the laws relating to trade secrets, rather than applying for a patent. It seems reasonable to question whether a practitioner who is admittedly barred from

holding himself out as qualified to advise clients on the law of trade secrets and unfair competition can make an objective decision on which way his client should proceed.

After deciding these important questions, the practitioner must determine whether the invention constitutes a patentable advance over the state of the art (35 U.S.C. 103). This Court in *A & P Tea Co.* v. *Supermarket Corp.* (1950) 340 U.S. 147, held that the question as to whether an invention is patentable is a question of law.

Other difficult legal questions must also be answered before the decision is reached to file a patent application. Frequently, the subject matter of inventions are made, used or sold prior to the filing of an application, and the practitioner must determine whether that manufacture, use or sale constitutes a prior use which would amount to a statutory bar against the grant of a patent (35 U.S.C. 102). Or, is the manufacture, use or sale merely an experimental use under the authority which would not constitute a bar (see *Egbert* v. *Lippman* (1881) 104 U.S. 333). Likewise, a description of the invention may have been published raising the question as to whether that publication constitutes a "printed publication" which would constitute a statutory bar to the grant of a patent (35 U.S.C. 102).

An application must be filed in the name of the true inventor of the subject matter of the application (35 U.S.C. 111). Frequently, two or more persons work in the development of an invention. The question then arises as to which of these individuals is, in fact, the inventor or whether they were, in fact, joint inventors. In other words, in whose name should the application be filed? Which of the workers was responsible for the inventive concept and which was simply carrying out instructions? It is obvious that the knowledge on the part of the practitioner of the decisions on these questions is essential if his client's rights are to be protected. For a recent example of a patent being held invalid because a person deemed to be a joint

inventor was not listed as an inventor in the application papers see: *John Blue & Co.* v. *Dempster Milk Mfg. Co.*, 172 F. Supp. 23 (D. Neb. 1958), affirmed on other grounds 275 F. 2d 668 (8th Cir. 1960).

At this stage, it is frequently necessary for the patent practitioner to advise his client as to his rights in the invention in view of an employer-employee relationship in which the client is involved. Does the employer or employee own the invention? If the client is a corporation, should an assignment be filed with the patent application? If the client is the employee, does the client have the right to file a patent application without the consent of his employer? In many instances, there is a written contract of employment, and the patent practitioner must interpret this contract and give legal advice as to its effect before an application can be applied. These important questions as to title to the invention involve the application of State law.

3. *Legal Questions Arising During The Preparation Of An Application*

After determining these many preliminary legal questions, the actual writing of the application must be done. The patent statutes (35 U.S.C. 112) require that the specifications contain a written description of the invention in "full, clear, concise and exact terms" as to enable any person skilled in the art to which it pertains, to use the invention. In writing the patent application, the patent practitioner must constantly keep in mind the requirements of this statute as it has been interpreted by the Patent Office and by the Courts in innumerable decisions. What specific examples should be given? What is the best mode contemplated by the inventor for carrying out his invention? Is the specification sufficiently definite?

The patent statute (35 U.S.C. 112) also requires that the specification conclude with one or more claims "par-

ticularly pointing out and distinctly claiming the subject matter" of the invention. The claims of a patent define the scope of protection granted by the patent. In drafting these claims, the patent practitioner must refer to his earlier conclusion as to the patentable nature of the invention. Do the claims as written define the patentable invention previously determined? Are the claims sufficiently definite as required by law? Do the claims find support in the specification as required by the authorities? Are the claims limited to the actual patentable invention, or do they overclaim the invention?

The patent statute (35 U.S.C. 113) requires that a drawing be supplied with the application if "the nature of the case admits." The patent practitioner must determine whether a drawing is required by the statute, and, if so, what the drawing should show. The patent statute (35 U.S.C. 115) also requires an oath by the applicant. This oath must be prepared by the patent practitioner and a determination made that the oath, as prepared, complies with the requirement of the law.

If the inventor is deceased or incapacitated, the practitioner must fully comply with the provisions of 35 U.S.C. 117 pertaining to the filing of patent applications by the inventor's legal representatives. This includes establishing the legal identity of an executor, administrator, guardian or conservator under the State law of the jurisdiction in question and presenting suitable proofs of the representatives' compliance with the State law to the Patent Office.

4. *Legal Questions Arising During The Prosecution Of An Application Which Should Be Anticipated Before The Application Is Filed*

After a patent application is filed, there are one or more actions by the Patent Office in which it reviews the sufficiency of the application, cites prior patents and rejects all or some of the claims on the basis of these patents.

To the fullest extent possible, these actions should be anticipated and prepared for before the application is filed.

To each of these actions, the patent practitioner, after consulting his client, may file a reply (known generally as an "Amendment"). In these replies, the claims in the application are frequently amended and an argument, in the nature of a brief, is presented. In amending the claims, the practitioner must again decide whether the claims are directed to patentable invention. He must decide whether the claims, as amended, particularly point out the invention. In any amendment of the claims, the practitioner must keep clearly in mind the legal doctrine of "File Wrapper Estoppel," which has been established by the United States Supreme Court and followed by the lower Federal Courts. In the argument or brief which forms a part of the amendment, many points of law are argued and decisions in support of these points are cited, and the facts of the particular case are analyzed in view of these decisions. The points of law argued may encompass any or all of the matters referred to in connection with the preparation of the patent application, whether the patent application contains patentable subject matter, whether the invention is patentable over the art cited by the Patent Office, whether the claims are sufficient, whether the specification clearly discloses the invention claimed, etc.

In drafting such amendments, the practitioner must be sure to resist the Patent Office's suggestion that the claims be amended to add a recitation of environmental structure to the original recitation of structures which are believed to be the "heart of the invention." A failure to do so can cause an otherwise valid patent to be held unenforceable and, indeed, barred by "misuse" when the same is invoked against an infringer who confines his activities to copying the "heart of the invention" See *Mercoid Corp.* v. *Mid Continent Investment Co.* 320 US 661 (1944)

Frequently, during the prosecution of an application, the practitioner will find it necessary to file an affidavit of the inventor to establish that the invention was made prior to the effective date of a patent cited by the Patent Office. Again, this is something for which the practitioner should be prepared to the fullest extent possible, before the Application is filed. The preparation of these affidavits involves the application of the facts of the particular case to establish legal concepts such as the date of conception of the invention, the date of the reduction to practice of the invention, and diligence in reducing the invention to practice. These concepts have been established by a myriad of decisions by the Patent Office tribunals, the United States Supreme Court, and the lower Federal Courts. The preparation of such affidavits certainly constitutes the practice of law.

If the Patent Office finds that two or more persons are claiming the same invention, it will institute an adversary proceeding to determine which of the rival claimants was the first inventor and is entitled to a patent covering that subject matter. These proceedings are known as "Interferences," and, again, they should, where possible, be anticipated and prepared for before the application is filed. The preparation of preliminary statements which, in effect, are pleadings in the adversary proceeding is the first step of an interference. The inventors set out in the preliminary statement the facts which they believe establish their right to invention if the facts are proved. To file such a preliminary statement, the practitioner must consider the legal definitions of conception, reduction to practice and diligence, and apply these legal concepts to the facts before him.

In an interference, a procedure is provided wherein one party to the interference may move to dissolve the interference or add counts to the interference. The motions are decided on briefs and oral arguments in which authorities are cited in support of the various positions of the parties.

All such motions require knowledge of the requirements of the patent statutes as interpreted by the decisions of the Patent Office tribunals and the Federal Courts.

After preliminary motions have been disposed of, evidence is taken by deposition to establish the facts on which the parties base their claim to the invention. Such depositions are taken pursuant to rules promulgated by the Commissioner of Patents (37 C.F.R. §§ 1.271 to 1.278 and 2.285, 1.286), which rules substantially parallel the Federal Rules of Civil Procedure pertaining to the taking of depositions for use in the Federal Courts.

A thorough knowledge of trial practice, including a complete familiarity with the rules of evidence, is required if the practitioner is to satisfactorily protect the rights of his client during such depositions.

After the depositions have been completed, briefs are filed by each party citing the law and the evidence in support of their respective positions. An oral hearing is also had (37 C.F.R. 1.256). A formal decision is rendered, from which an appeal lies to the Court of Customs and Patent Appeals (35 U.S.C. 141-144).

As just noted, the interference proceedings involve the taking of a record which may subsequently be reviewed by a Court. This is likewise true of the prosecution of a patent application which does not become involved in an interference, because if the Examiner finally rejects an application, the applicant can appeal to the Patent Office Board of Appeals (35 U.S.C. 134), and, if the decision by that Board is unfavorable, the applicant can proceed by appeal to the Court of Customs and Patent Appeals (35 U.S.C. 141). The record in the Patent Office constitutes the whole and unalterable record before the Court of Customs and Patent Appeals.

Thus throughout the prosecution of a patent, a record is made which is binding on the inventor in later proceed-

ings, either in the Patent Office, or in the Courts. As stated by Mr. Justice Fuller in *John Dobson* v. *James Lee*, 137 U.S. 258, 34 L. Ed. 652, 655 (1890): "Nor, in the light of these protracted proceedings in the Patent Office, can the applicant be permitted to treat the deliberate acts of his attorney as the result of inadvertence, accident or mistake." The presentation of this evidence both by affidavit and by actual testimony, and the application of legal principles to the facts so established, clearly constitutes the practice of law.

5. *Legal Questions Arising In The Amendment And Correction Of Patents.*

The prosecution of a patent application may not end with the issuance of the original patent. The patent laws provide several remedies in the Patent Office for amendment and correction of patents.

A patent may be issued through inadvertence, accident, or mistake, which is wholly or partly inoperative or invalid by reason of a defective specification or by reason of the patentee claiming more or less than he had a right to claim. The patent laws (35 U.S.C. 251) provide for the reissue of such defective patents. Determination of the question whether a client can or should file an application for reissue patent involves the determination of difficult questions of law. First, it must be determined whether the original patent is defective within the meaning of the section of the patent laws pertaining to reissue patents and the decisions interpreting the same. Second, the facts giving rise to the defect must be considered to determine whether they are legally sufficient to justify the granting of a reissue patent under the statute and the decision. Again, all these possibilities should be considered before the application is completed.

The patent statutes also provide for a disclaimer when a claim is invalid without any deceptive intention on the

part of the patentee (35 U.S.C. 253). Determination of the question as to whether a client should file such a disclaimer again involves the determination of difficult questions of law.

The patent statute also provides for a correction of a patent for misjoinder or nonjoinder of inventors (35 U.S.C. 256). Determination of the question whether a client should correct an application for these reasons again involves difficult questions of law. Who, under the law as applied to the facts of the case, is the inventor? Again, these questions must be determined before the application is completed.

The foregoing clearly shows that throughout the steps resulting in the preparation of a patent application, the practitioner is constantly required to study the law, interpret that law and apply that law to the facts of the particular case. It is utterly impossible for a patent practitioner to fulfill his responsibilities to his client in the preparation of a patent application without full knowledge and full utilization of the laws and the authorities interpreting those laws.

C. In Like Manner, Engaging In Trademark Practice Before The Patent Office Constitutes The Practice Of Law

Before preparing an application for a trademark registration, the practitioner must first determine whether the symbol in question has been used in a manner which the law contemplates as a trademark usage and then must decide whether that mark has been used in "commerce" (15 U.S.C. 1051) which is otherwise defined as "all commerce which may lawfully be regulated by Congress" (15 U.S.C. 1127).

Next the practitioner must conclude whether the Patent Office will be likely to deem the mark in question as barred from registration by any of the provisions of 15 U.S.C.

1052, i.e., whether it is descriptive, mid-descriptive, geographically descriptive, primarily merely a surname or, most important of all, likely to cause confusion with an already registered mark.

If the mark is not being actually used by the organization which wishes to file the application, a legal opinion must be reached as to whether or not the user's use will be deemed a usage which inures to the benefit of the proposed Applicant. 15 U.S.C. 1055

Finally, determination must be made as to whether the mark is to be registered as a trademark (15 U.S.C. 1052) for a service mark (15 U.S.C. 1053) or as a collective mark or certification mark, (15 U.S.C. 1954), and whether the application should solicit registration on the Principal Register (15 U.S.C. 1057(a)) or on the Supplemental Register (15 U.S.C. 1091).

If, after the application has been drafted and filed in proper legal form, the same is rejected by the Examiner, an "amendment" must be filed with such briefs and points and authorities as are required to persuade the Examiner to withdraw the rejection.

Once *ex parte* approval of the application has been obtained, the mark is published for opposition. (15 U.S.C. 1062(a)). If any party opposes that registration (15 U.S.C. 1063), an *inter parte* proceeding is set up (15 U.S.C. 1067-1070) with the proceedings approximately following the modes of procedure of the trial and Federal court, i.e., with motions, discovery proceedures, the taking of testimony by deposition during trial periods, final briefing and oral arguments. See Trademark Rules of Practice of the Patent Office, Rules 2.117-2.136 (37 C.F.R. 2.117-2.136.)

Trademark practice before the Patent Office also includes interference proceedings (15 U.S.C. 1066), between copending applications for registration which involve identical or similar marks, and cancellation proceedings (15

U.S.C. 1064) wherein the validity of registered marks are challenged and these proceedings follow the format of opposition proceedings as discussed hereinabove (15 U.S.C. 1067).

Moreover, trademark practice before the Patent Office includes the preparation and filing of suitable periodic affidavits for maintaining valuable registrations on the Register (15 U.S.C. 1058(a)), 15 U.S.C. 1065), and the preparation and filing of such affidavits as are required to obtain renewal of a valuable registration after its 20th anniversary (15 U.S.C. 1060).

Finally, practice before the Patent Office includes the preparation of such assignment documents as will fully comply with both the property laws of the states in question and the requirements of the Patent Office under its Rule 2, 185 (37 C.F.R. 2.185) and its interpretations of 15 U.S.C. 1060.

Practice before the Patent Office in trademark cases by citizens of the United States is limited to attorneys at law in good standing admitted to the highest court of their respective jurisdictions, Trademark Rule 2.12 (37 C.F.R. 2.12) and to non-lawyers like the instant petitioner who have established that they were recognized to practice in trademark cases, and did practice in trademark cases, during the period between July 5, 1947 and Jan. 1, 1959.

In short, practice by citizens of the United States is limited to lawyers and certain non-lawyers allowed under a very limited "grandfather clause." The portions of the Rule relating to the limited recognition of non-lawyers are immediately followed by Rule 2.12(d) which states specifically that:

> "Recognition of any person under this section is not to be construed as sanctioning or authorizing the performance of any acts regarded in the jurisdiction where performed as the *unauthorized practice of law*." (Emphasis added.)

a provision which implicitly recognizes that all of the activities discussed hereinabove are subject to prohibition by a state as the practice of law, and makes it explicit that "recognition" by the Commissioner must not be used as an excuse by a practitioner who is found, by the locality in question, to have engaged in the unauthorized practice of law.

Considering that every decision made in the course of proceedings before the Patent Office in trademark cases are legal decisions, and that all advices rendered on those proceedings constitute legal advice, the promulgation of which is the practice of law, there can be no real doubt that every aspect of the Petitioner's practice before the Patent Office in trademark cases constitutes the practice of law within the meaning of that term as applied by the Supreme Court.

APPENDIX C

HISTORY OF STATUTES AND REGULATIONS ON ADMISSION TO PRACTICE BEFORE THE PATENT OFFICE

The statute primarily dispositive of the scope of Congressional regulation in this case is section 3 of the Act of February 18, 1922, 42 Stat. 390, amending section 487 of the Revised Statutes. We shall show that this statute is the culmination of Congressional efforts commencing in 1861 to provide the Commissioner of Patents with unquestionable authority to prevent or exclude untrustworthy or incompetent persons from representing inventors in prosecuting applications for patents in the Patent Office. The statutes, legislative history and Patent Office regulation, hereinafter set forth, do not reveal any attempt by Congress to regulate the practice of law relating to patents or to authorize the Commissioner of Patents to authorize persons to practice law relating to patents in Florida.

1. The Act of March 2, 1861: First Congressional Enactment: Power of the Patent Commissioner to Refuse to Recognize Patent Agents for Gross Misconduct

Section 8 of the Act of March 2, 1861, 12 Stat. 247, provided in relevant part as follows:

> "and for gross misconduct he [the Commissioner of Patents] may refuse to recognize any person as a patent agent, either generally or in any particular case; but the reasons of the Commissioner for such refusal of the President of the United States."

The origins of this language are obscure. The manager of the bill in the House stated that this and other sections of the bill "merely change details and adjust the machinery of the office . . ." (Cong. Globe, Feb. 6, 1861, Mr. Niblack) Nor did the contemporaneous administrative regulations evidence any purpose to go beyond exclusion of patent agents for gross misconduct. They merely provided that "Any person of intelligence and good moral character may appear as the attorney in fact or agent of an applicant

upon filing a proper power of attorney," and that for "gross misconduct the Commissioner may refuse to recognize any person as a patent agent . . ." (Rules 127 and 130, Rules and Regulations for Proceedings in the Patent Office, Aug. 1, 1869.)

2. The Act of July 8, 1870: Restatement of Power to Exclude Patent Agents for Gross Misconduct and Grant of Power To Regulate Proceedings in the Patent Office by Rules "Not Inconsistent with Law"

By the Act of July 8, 1870, 16 Stat. 198, Congress substantially revised the patent laws. The Patent Office was assigned to the Department of Interior, claims of invention were required to be made in writing, and a comprehensive scheme of judicial review and judicial remedies was provided. Section 17 of this act (16 Stat. 200) continued the Commissioner's power of exclusion of patent agents for gross misconduct granted by the 1861 Act, but made exercise of that power subject to the approval of the Secretary of the Interior in lieu of that of the President under the the 1861 Act. In addition, section 19 of the 1870 Act (16 Stat. 200) provided that "the Commissioner, subject to the approval of the Secretary of the Interior, may from time to time establish rules and regulations, not inconsistent with law, for the conduct of proceedings in the patent office." Legislative history reveals no significant change in the authority of Commissioner of Patents contemplated by the grant of this rule-making power (Cong. Globe, April 14, 1870, Mr. Jenckes, Chairman House Patent Comm.); and indeed the statutory limitation that such rules be "not inconsistent with law" negatives any possible implication that Congress intended to authorize the Commissioner to license laymen to practice law anywhere incident to representing applicants for patents before the Patent Office.

In 1874 most of this 1870 Act was codified without substantive change in the Revised Statutes. Section 17, re-

lating to the refusal to recognize patent agents for gross misconduct, became section 487 of the Revised Statutes; and the rule-making power of section 19 was codified as section 483 of the Revised Statutes.

Provision of the rule-making power in 1870 did not soon produce significant changes in the Commissioner's regulations on recognition of patent agents. By 1879 inventors were urged to exercise great care in employing honest and skillful patent agents. Rule 17 of the Patent Office Rules (Dec. 1, 1879 Ed.) provided as follows:

> 17. *Any person of intelligence and good moral character may appear as the agent or the attorney in fact of an applicant*, upon filing a proper power of attorney. As the value of patents depends largely upon the careful preparation of the specifications and claims, the assistance of competent counsel will, in most cases, be of advantage to the applicant; but the value of their services will be proportionate to their skill and honesty, and too much care cannot be exercised in their selection. The office cannot assume responsibility for the acts of attorneys, nor can it assist applicants in making selections. It will, however, be unsafe to trust those who pretend to the possession of any facilities except capacity and diligence for procuring patents in a shorter time or with broader claims than others. (Emphasis added.)

3. 1897-1908: Development of a Register of Patent Attorneys Pursuant to Section 483 of the Revised Statutes

No further significant changes to the regulations relating to the recognition of patent agents were made until 1897. In that year in the aftermath of the Wedderburn case (12 App. D.C. 485), Rule 17 of the Rules of Practice was revised to establish a "register of attorneys" in the Patent Office "on which will be entered the names of all persons entitled to represent applicants before the Patent Office in the presentation and prosecution of applications for patent." All persons entered on the register were registered as "patent attorneys," without regard to whether

they were attorneys at law, a practice that was continued until 1938 when separate registers were established prospectively for "patent attorneys" (attorneys at law) and "patent agents." Also in 1897 Rule 17 for the first time stated that persons not attorneys at law in good standing seeking entry on the register must furnish evidence of character and qualifications. As so revised (see Rules of Practice Dec. 1, 1897 Ed.), Rule 17 provided as follows:

> Rule 17 of the Rules of Practice, approved June 18, 1897, is amended to read as follows:
>
> 17. An applicant or an assignee of the entire interest may prosecute his own case, but he is advised, unless familiar with such matters, to employ a competent attorney, as the value of patents depends largely upon the skillful preparation of the specification and claims. The office can not aid in the selection of an attorney.
>
> *A register of attorneys will be kept in this office, on which will be entered the names of all persons entitled to represent applicants before the Patent Office in the presentation and prosecution of applications for patent.* The names of persons in the following classes will, upon their written request, be entered upon this register.
>
> (*a*) Any person who at the date of the approval of the present Rules of Practice, June 18, 1897, was engaged as attorney or agent in the active prosecution of applications for patent before this office, or had been so engaged at any time within five years prior thereto and is not disbarred, or is or was during such period a member of a firm so engaged and not disbarred, provided that such person shall, if required, furnish information as to one or more applications for patent so prosecuted by him.
>
> (*b*) Any attorney at law who is in good standing in any court of record in the United States or any of the States or Territories thereof and shall furnish a certificate of the clerk of such United States, State, or Territorial court, duly authenticated under the seal of the court, that he is an attorney in good standing.

(c) *Any person who has been regularly recognized as an attorney or agent to represent claimants before the Department of the Interior* or any bureau thereof and is in good standing, provided that such person shall furnish a statement of the date of his admission to practice as such attorney or agent, and shall further show, if required by the Commissioner, that he is possessed of the necessary qualifications to render applicants for patents valuable service and is otherwise competent to advise and assist them in the presentation and prosecution of their applications before the Patent Office.

(d) *Any person not an attorney at law who shall file a certificate* from a judge of a United States, State, or Territorial court, duly authenticated under the seal of the court, *that such person is of good moral character and of good repute and possessed of the necessary qualifications to enable him to render applicants for patents valuable service, and is otherwise competent to advise and assist them in the presentation and prosecution of their applications before the Patent Office.*

(e) Any firm which at the date of the approval of the present Rules of Practice was engaged in the active prosecution as attorneys or agents of applications for patents before the Patent Office or had been so engaged at any time within five years prior thereto, provided such firm or any member thereof is not disbarred, provided the names of the individuals composing the firm are stated, and provided, also, that such firm shall, if required, furnish information as to one or more applications prosecuted before the Patent Office by them.

(f) Any firm not entitled to registration under the preceding sections which shall show that the individuals composing the firm are each and all recognized as patent attorneys or agents or are each and all entitled to be so recognized under the preceding sections of this rule.

The Commissioner may demand additional proof of qualifications and reserves the right to decline to recognize any attorney, agent, or other person applying for registration under this rule.

> Any person or firm not registered and not entitled to be recognized under this rule as an attorney or agent to represent applicants generally may, upon a showing of circumstances which render it necessary or justifiable, be recognized by the Commissioner to prosecute as attorney or agent certain specified application or applications, but this limited recognition shall not extend further than the application or applications named.
>
> *After January 1, 1898, no person not registered in accordance with this rule will be permitted to prosecute applications before the Patent Office.* (Emphasis added.)

By 1908 the portion of Rule 17 that was later applicable to Petitioner's entry on the register as a "patent attorney" had been revised to require the filing of "proof to the satisfaction of the Commissioner that such person [not an attorney at law in good standing] is of good moral character and repute and possessed of the necessary legal and technical qualifications* to enable him to renedr applicants

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* During the period 1922 to 1934 both attorneys at law and laymen seeking admission to practice before the Patent Office ordinarily submitted affidavits of experience in patent work under the personal supervision of a registered practitioner. While this practice was not formalized in Rule 17 until 1933 (See Rule 17(b), Aug. 1, 1933 ed), the defects of the affidavit system were noted by Commissioner Robertson (Annual Report of the Secretary of Commerce (1933) p. 159):

> "The present system of registrations, based upon the submission of affidavits, is neither reliable nor satisfactory, and the result is that attorneys may have their names entered on the register who, in many instances, at least, are not qualified to render inventors the valuable advice and assistance which they are entitled to receive."

As a result, effective June 1, 1934 (441 O.G. 253), Rule 17 was amended prospectively to require all persons seeking admission to practice before the Patent Office to take written examinations.

for patents valuable service and is otherwise competent to advise and assist them in the presentation and prosecution of their applications before the Patent Office." (Rule 17(b), April 13, 1908 Ed.)

From this recital it is apparent that the system of registering patent agents evolved during the period 1897-1908. These steps were taken under the rule-making power of section 483 of the Revised Statutes, as were expressly recited in the revision of Rule 17 published in 1908. While it does appear that the purpose of the register system was to improve the means of excluding persons of questionable character on qualifications from representing applicants before the Patent Office in the presentation and prosecution of patent applications, it nowhere appears, nor may it reasonably be implied, that with the adoption of this register system the Commissioner sought to establish a licensing power of nation-wide sweep under which persons were to be authorized by virtue of the entry of their names on the register in the Patent Office to practice law to the extent that such practice involved the presentation and prosecution of patent applications. Moreover, had the Commissioner attempted to do this, plainly he would have overstepped the limits sections 483 and 487 of the Revised Statutes placed on his authority to act in this field.

4. The Act of February 18, 1922, Amending Section 487 of the Revised Statutes

Section 487 of the Revised Statutes was amended by section 3 of the Act of February 18, 1922, 42 Stat. 390, to provide as follows:

> "Sec. 487. The Commissioner of Patents, subject to the approval of the Secretary of the Interior, may prescribe rules and regulations governing the *recognition* of agents, attorneys, or other persons representing applicants or other parties before his office, and may require of such persons, agents, or attorneys, before being recognized as representatives of applicants or other persons, that they shall show that they are of

good moral character and in good repute, are possessed of the necessary qualifications to enable them to render to applicants or other persons valuable service, and are likewise competent to advise and assist applicants or other persons in the presentation or prosecution of their applications or other business before the office. *And the Commissioner of Patents may*, after notice and opportunity for a hearing, *suspend or exclude*, either generally or in any particular case, from further practice before his office any person, agent, or attorney shown to be incompetent or disreputable, or guilty of gross misconduct, or who refuses to comply with the said rules and regulations, or who shall, with intent to defraud in any manner, deceive, mislead, or threaten any applicant or prospective applicant, or other person having immediate or prosepective business before the office, by word, circular, letter, or by advertising. The reasons for any such suspension or exclusion shall be duly recorded. And the action of the Commissioner may be reviewed upon the petition of the person so refused recognition or so suspended or excluded by the Supreme Court of the District of Columbia under such conditions and upon such proceedings as the said court may by its rules determine." (Emphasis added.)

The words used in this revision of § 487 were essentially copied from two substantially identical 1884 statutes in which Congress sought to protect veterans of the Civil War having pension, back pay, bounty, lost horses and other claims before the Interior or Treasury Departments from the depredations of claims agents. See § 5 of the Act of July 4, 1884, 23 Stat. 98, 101, 5 U.S.C. § 493, § 3 of the Act of July 7, 1884, 23 Stat. 236, 258, 5 U.S.C. § 261.

At a hearing before the House Committee on Patents, the Chairman of the Committee, Judge Davis of Tennessee, asked Commissioner Robertson to explain the necessity for the revision of section 487 of the Revised Statutes proposed by section 3 of the bill (Hearings Before the House Committee on Patents on H.R. 210, 67th Cong., 1st Sess. 14-17 (1921)):

"Mr. Davis. Mr. Commissioner, in view of the fact that this bill in section 3 prescribes the methods of

recognition of attorneys and also under certain conditions of suspending or excluding them from practice before the Patent Office, and in view of the fact that you and the former commissioner and various others have urged the importance of this enactment, but also in view of the further fact that, as the old members recall, there was considerable opposition to it on the part of certain patent firms here in Washington, I wish you would make a brief explanation to the new members of the necessity for that provision.

"Mr. Robertson. *The necessity for this provisions does not come from the necessity of protecting* wealthy corporations from unscrupulous attorneys. It is manifest they can take care of themselves, but the *poor inventor* in the agricultural districts of the country or in the mountainous districts, *many of whom* are 10 to 15 or 20 miles away from the railroad *are particularly susceptible to being fleeced by the unscrupulous attorney.** He has even been led on to file applications on so-called inventions that have been patented 40, 50, or hundreds of times before, and being located in the wilderness, so to speak, he has not any chance to tell, as the city man has, whether he is being fleeced. For one example, former Commissioner Ewing told of one attorney who had induced applicants to file applications on nut locks. There were 4,000 patents already granted on nut locks, and, as a result of this advertising, Commissioner Ewing stated that this particular attorney had filed almost 100 applications for different inventors in different parts of the country for nut locks, inducing them to believe that they would get patents for them. *Section 3 is designed to prevent a thing like that.*

"Mr. Lanham. What part of this section 3 is new matter? What part is amended?

"Mr. Robertson. So far as concerns patents, it is all new matter. *So far as concerns pensions, not one word is new. I will be glad to submit to the chairman the act of July 4, 1884 [5 U.S.C. § 191], which is identical with section 3,* except it refers to pension claims instead of patents, and to the Secretary of the Interior instead of to the Commissioner of Patents. Hence this same

* All practitioners before the Patent Office, whether or not attorneys at law, were registered as "patent attorneys" prior to 1938.

provision, word for word, has been in force for 25 years, applying to every attorney practicing before the Pension Office, *but the patent attorneys have been given free scope*. One of my predecessors under the administration just passed promulgated a rule, which he could do only with the approval of the Secretary of the Interior, Mr. Lane. *Under this new rule the advertising attorneys were compelled to submit their advertising to him for approval before they sent it out.* That same rule have been in force in the Pension Office for 25 years, *but the advertising attorneys are very much opposed to such supervision or such censorship*, as they call it, in the Patent Office . . . *It was for that purpose section 3 was designed.* Let me say that that section is heartily indorsed by the bar associations, and is only fought by a few attorneys who do not wish the supervision of the Patent Office, and yet that supervision can only be exercised under the authority of the Secretary of the Interior. The Commissioner of Patents cannot disbar, himself: he can only recommend disbarment, and it has to be approved by a Cabinet officer, the Secretary of the Interior, before it becomes effective."

* * * * * * * * * *

"Mr. Davis. Mr. Commissioner, with respect to the question of Mr. Lanham as to the change in the present law, as I understand it, *the present statute is very general, simply authorizing the suspension or exclusion of practitioners who are guilty of gross misconduct, and that by reason of the situation and the necessities, a previous Commissioner of Patents adopted some rules and regulations of practice, and some of these attorneys took the position that that was unauthorized, that there was no existing law authorizing him to make any rules or regulations. So this is simply to enlarge upon the original statute and make it more specific so that no question can be made*, and this applies, as Mr. Robertson has said, and has been the law with regard to practice before the Pension Office, without criticism apparently, since 1884.

"Mr. Robertson. *Correct.*"

* * * * * * * * * *

"Mr. Davis. As Mr. Robertson suggested, I do not think that those fellows who are engaged in this bad practice will fare as well in a regular court as they have been before the commissioner, because I think he would be more lenient with them. That is your view?

"Mr. Robertson. That is the experience. *The men are allowed to do things before the Patent Office that any court in the land would disbar them for forthwith.* I know your experience on the bench in Tennessee tells you that they would not be allowed to do half the things they do before the Patent Office.

"Mr. Davis. To get the matter clear before the new members, as I understand, *it is not the desire of your office to prevent legitimate advertising by attorneys, but you do want to prevent deception and fraud.*

"Mr. Robertson. The Patent Office has looked upon advertising upon the part of the young Washington attorney as almost a necessity, because his prospect for clients is the whole territory of the United States, and he has to advertise his business, and therefore the Patent Office will not be and has not been against any advertising that is fair and honest. It *simply wants to compel the practitioners to observe common honesty and not to deceive your constituents and induce them to file applications and pay them fees when they cannot render proper service in return.*" (Emphasis added.)

That the State courts are unable to prevent the solicitation of patent business not involving the practice of law by laymen through false or misleading advertising was pointed out at an earlier hearing by Commissioner Robertson and Assistant Examiner Russell (Hearings before the House Committee on Patents on H.R. 5011, 5012, 7010, 66th Cong., 1st Sess. 278-81 (1919):

"The Chairman. *It seems to me there ought to have been some effort made to clean up the situation, and I think it needs a cleaning up.* Members of Congress from day to day and from week to week are solicited by certain patent attorneys, or so-called patent attorneys, to distribute their literature, to solicit business for them, and it seems to me there ought to be a

clean-up; but I cannot understand why under present conditions a man who is guilty of gross misconduct—I cannot understand why the Patent Commissioner would hesitate a moment, or anybody else would hesitate, about exposing that man.

"Mr. Russell. One reason, I think, why he has hesitated to do it is because there are so many of that kind. It is not a matter of killing a few mosquitoes; it is disinfecting a marsh that is necessary.

"The Chairman. All the more reason why the thing ought to be done, even if it was in the shape of a dragnet.

"Mr. Johnston. *What is the practice now? Suppose a man is accused of misconduct, a practicing attorney of the patent bar, what is the first thing that happens? Who is he accused to, the Patent Commissioner?*

"Mr. Russell. I think the accusation is brought to the Patent Commissioner.

"Mr. Johnston. And has he got the authority to hear and determine the matter?

"Mr. Russell. I think he has.

"Mr. Robertson. Subject to the approval of the Secretary of the Interior.

"Mr. Johnston. That is the status now?

"Mr. Robertson. The law gives him power to disbar for gross misconduct, subject to the approval of the Secretary of the Interior.

"Mr. Johnston. *Just a moment—now, hasn't the court of which this man is a member also got jurisdiction?*

"Mr. Russell. *He is not a member of any court, sir—of the bar; no, sir.*

"Mr. McDuffie. *He is not a regular member of the bar?*

"Mr. Robertson. *No, sir.*

* * * * * * * * *

"Mr. McDuffie. *There is no question about a lawyer being disbarred* if he wrote and circulated a document of this kind [indicating] to get business." (Emphasis added.)

In the House debate of March 5, 1920, on the predecessor bill (H.R. 11984, 66th Cong.) containing the identical amendment to section 487 of the Revised Statutes, the limited purposes of the revision were further revealed by the following discussion:

> "Mr. Ramseyer. Does section 4 change existing law in any respect; and if so, in what way?
> "Mr. Davis of Tennessee. Well, *that is simply an amplification and a more detailed provision with regard to the admission of patent attorneys and their exclusion for misconduct.* (59 Cong. Rec. 3912.)
>
> • • • • • • • • • •
>
> "Mr. Cannon. What is the fee of the patent attorney?
> "Mr. Nolan. We make no attempt to regulate the fees of patent attorneys. We do make some attempt in this bill to put them under the control of the Commissioner of Patents, so that he can stop any improper practices.
> "Mr. Cannon. . . . I am under the impression from the number of letters I get . . . that if there was some way to have patent attorneys who would be fair and square, much money might be saved to people who are not able to afford the expense. I do not know that the gentleman has any suggestion to make along that line, and I do not know that my suggestion is worth anything. You say that the Commissioner of Patents is to watch the attorneys who merely want to get the money without regard to whether the patent is worth a snap or not?
> "Mr. Nolan. We are giving greater power to the Commissioner of Patents to admit men who are all right or disbar men who are guilty of improper practices.
> "Mr. Cannon. In order to become a patent attorney, does a man have to go through an examination? Does he have to establish good character and all that kind of thing? Attorneys who practice law have to do that.
> "Mr. Nolan. To the satisfaction of the Patent Commissioner. (59 Cong. Rec. 3926)
>
> • • • • • • • • • •

"Mr. Goodykoontz. . . . Mr. Chairman, can you tell us whether or not it is necessary to employ a patent lawyer in order to patent an idea?

"Mr. Nolan. It is not necessary at all . . . *the fact of the matter is that there is no standard or requirement for a man to be admitted to practice in the Patent Office, except the permission of the Commissioner.*

"Mr. Goodykoontz. Does the Patent Office provide technical experts, or men who are capable of putting down in correct words a statement of the essential facts upon which a patent may be predicated, without any special fee being paid by the applicant?

"Mr. Nolan. No; but they furnish blanks that any intelligent man can fill out and forward to the Patent Office . . . A general practice has grown up, however, in this as in all other lines where specialists are needed, of employing patent lawyers, who are in most instances men skilled in a technical way as well as in patent law.

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"Mr. Newton of Minnesota. Is it not a fact, however, as a practical matter, that it is almost necessary to retain a patent lawyer in order to obtain a patent or copyright?

"Mr. Nolan. In order to get action, yes; so that it is really in the interest of the inventor to retain a patent lawyer who will give him proper attention.

"Mr. Newton of Minnesota. And get it immediately when he wants it.

"Mr. Nolan. Exactly, and we are trying in this bill to give more power to the Commissioner of Patents, so that he can better control those who are attempting to exploit inventors. (59 Cong. Rec. 3927)

• • • • • • • • • •

"Mr. Caraway. *I am speaking about these so-called patent lawyers. Of course, it is a fiction to talk about them as lawyers, but when you hire one*, then you have to hire another one to find out what the first one did. That has been my experience. If this law will do anything to suppress the great horde of so-called patent lawyers who live off the people who think they have ideas, I am certainly for it, and I am for a commissioner with backbone enough to shut them out." (Emphasis added.) (59 Cong. Rec. 3928)

In 1952 Congress codified the patent statutes in Title 35 of the U. S. Code as positive law. Section 483 was codified without significant change as the final sentence of 35 U.S.C. § 6, and section 487 was codified as 35 U.S.C. §§ 31 and 32. While sections 31 and 32 somewhat changed the language of § 487, the Committee reports stated that there "has been no change in substance in these sections." S. Rep. No. 1979, H.R. Rep. No. 1923, 82d Cong., 2d Sess., 1952 U.S. Code Cong. & Admin. News, p. 2398.

From this recital of the legislative history of § 487 and its restatement as 35 U.S.C. §§ 31, 32 there can be no doubt that all Congress intended was to remove any question of the Commissioner's housekeeping power to deny recognition to any person who engaged in false or misleading advertising relating to patents, and to provide for the exercise of the power of exclusion at the level of the Commissioner without resort to the Secretary of Interior. The only reference to the practice of law was in recognition of the inability of the State Courts to prevent out of state practitioners, many of whom operated in Washington, D. C., from engaging in fraudulent advertising on a nation-wide basis, and in recognition of the power of the State Courts to disbar any attorney at law within their jurisdiction who solicited patent legal work. On this showing it cannot be held that Congress intended to oust State regulation of the practice of law relating to patents.

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1962

No. 322

ALEXANDER T. SPERRY, *Petitioner*,

v.

STATE OF FLORIDA, *ex rel.*, THE FLORIDA BAR,
Respondent.

On Writ of Certiorari to the Supreme Court of Florida

BRIEF OF AMERICAN CHEMICAL SOCIETY AS AMICUS CURIAE

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INTEREST OF AMICUS CURIAE

The American Chemical Society is a scientific and educational organization chartered by Act of Congress approved August 25, 1937, Public Law No. 358, Chapter 762, 75th Congress, 1st Session. The Society's membership consists of more than 95,000 chemists and chemical engineers of whom some 90,000 are residents of the United States.

More than 40 per cent of the Society's members hold doctorate degrees and an additional 20 per cent have received master's degrees in the various fields of chemistry. Nearly two-thirds of the Society's members engage in research which ultimately results in the creation of patentable inventions. Each of these persons is a potential investor and many of them have been issued United States patents. In fact, these persons were responsible in part for the 10,000 chemical patents issued by the United States Patent Office in 1961 and the 11,767 chemical patents issued in 1962.

The Society's membership is vitally interested in the basic issue herein, namely: Whether the State of Florida in the exercise of its police power may prohibit the performance of specified activities within the State by a non-lawyer who has been expressly authorized by the United States to engage in such activities?

This *Amicus* has a broad interest in matters affecting patents, especially those which are chemical in nature.[1] It is interesting to note that approximately 21 per cent of all United States patents issued in 1961 (10,000 of 48,000) and in 1962 (11,767 of 55,691) were so-called chemical patents, which reflects an increase in 1962 over 1961 of 17.67 per cent in chemical patents as contrasted with an increase of about 16.02 per cent in the total number of patents issued.

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[1] The Chemical Abstracts Service, operated by the Society at Ohio State University, Columbus, Ohio, identifies, abstracts, and indexes all new chemical patents published throughout the world. For the past 55 years the Chemical Abstracts Service has been the sole source for the abstracting and indexing of chemical patents originating in 24 foreign countries, including some behind the Iron Curtain.

Surveys conducted by the Society indicate that not less than 1,000 of the 7,232 persons registered[2] to represent applicants before the Patent Office are members of the American Chemical Society.

The membership of the Society is concerned over the consequences of a decision by this Court which would sustain the power of Florida to prohibit the United States Patent Office practitioner herein from engaging in conduct which is authorized by the United States in admitting him to practice before the Patent Office. Also of concern to the Society is the impact a decision of the Court adverse to the Petitioner could have upon the maintenance of current relationships between inventors in chemistry, members of the Society, and non-lawyer patent agents, and upon the fruits of the technical and scientific interchange presently existing among them.

ARGUMENT

In the interest of brevity this *Amicus* endorses generally the arguments set forth in the Brief of Petitioner Alexander P. Sperry.

REGULATION OF PATENT OFFICE PRACTITIONERS BY FEDERAL AUTHORITY NULLIFIES ANY ATTEMPTED REGULATION BY THE STATE OF FLORIDA WHICH IS INCONSISTENT OR IN CONFLICT THEREWITH

Pre-emption of a particular field of legislation or regulation by the Federal Government is not lightly to be inferred. Where possible this Court should seek to find a permissible accommodation that citizens may be subject to reasonable regulation by both State and Federal authority. Yet, it must be recognized that in

[2] Brief For The Petitioner, p. 4.

those areas where accommodation is not possible and Federal power over the subject matter is supreme, the several States are without power to impose legislation or regulation which is inconsistent with existing Federal regulation. *McCulloch* v. *Maryland*, 4 Wheat. 316, 4 L. Ed. 314 (1819).

In the present case there can be no question that the Federal power is paramount with regard to the adoption of a national patent system and the regulation of all matters pertaining to practice before the United States Patent Office. Pursuant to Constitutional grant,[3] as implemented by Congressional enactment[4] and the administrative regulations of the Commissioner of Patents,[5] the Federal Government has undertaken the regulation of "agents, attorneys, or other persons representing applicants or other parties before the Patent Office * * *".[6] Registered patent agents who are not attorneys-at-law are authorized to represent applicants in the preparation and prosecution of applications for United States patents. The exercise of the authority granted to such practitioners necessarily includes the right to engage in the consideration of documents affecting patents, the formation of opinions, and the rendering of advice[7] regarding the patentability of inventions.

Notwithstanding the provision of such authorization by the United States, the State of Florida has decreed

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[3] Constitution of the United States, Art. I Sec. 8, Cl. 8.

[4] Act of July 19, 1952, 66 Stat. 795-796, 35 U.S.C. Sections 31-33.

[5] Rules of Practice of the United States Patent Office in Patent Cases, 37 C.F.R. Sections 1.1-1.352.

[6] Act of July 19, 1952, 66 Stat. 795, 35 U.S.C. Section 31.

[7] *Ibid.*

that Petitioner may not engage in such conduct unless and until he becomes an attorney and member of the Florida Bar.

Nowhere in the record are facts suggesting the Petitioner engaged in the unauthorized practice of law by appearing before forums in the State of Florida, nor does the record indicate that Petitioner has rendered opinions as to the patentability or infringement on patent rights, or prepared, drafted and construed documents, other than in the preparation and prosecution of applications for letters patent, and amendments thereto. The State of Florida through the court below, however, has decided that such record shows Petitioner has engaged in the unauthorized practice of law in Florida and thereby settled the question as a matter of state law.

The present state of the record, therefore, presents a clear conflict between Federal and State power regarding subject matter clearly set apart as national in scope and interest and does not permit of the exercise of both such powers. Accordingly, the attempted regulation of the qualifications of United States Patent Office practitioners by the State of Florida should be declared a nullity. *Battelle Memorial Institute* v. *Green*, 133 U.S.P.Q. 49 (Ohio Ct. App., 1962) (unreported);[5] *Rice* v. *Santa Fe Elevator Corporation*, 331 U.S. 218, 91 L. Ed. 1447 (1947).

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[5] Decided February 13, 1962 by the Ohio Court of Appeals for Franklin County. The case is now in the Supreme Court of Ohio for review but has not been assigned, pending final judgment by this Court as to Petitioner Alexander T. Sperry.

CONCLUSION

For the reasons stated herein, and in the Brief of Petitioner Alexander T. Sperry, the decision of the court below should be reversed to permit Petitioner in the State of Florida "to represent applicants before the Patent Office in the preparation and prosecution of applications for patent,", a right granted him by the Commissioner of Patents pursuant to the authorization of Congress.

Respectfully submitted,

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PETITIONER'S REPLY BRIEF

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vs.

STATE OF FLORIDA, ex rel.,
THE FLORIDA BAR,
Respondent.

PETITIONER'S REPLY BRIEF

I. PETITIONER IS SEEKING THE RIGHT TO CONTINUE PRACTICING BEFORE THE PATENT OFFICE, AND IS NOT SEEKING TO PRACTICE GENERAL LAW RELATING TO PATENTS IN FLORIDA.

Petitioner is registered to practice before the Patent Office and has been authorized by the Commissioner of Patents to represent applicants in the preparation and prosecution of patent applications before the Patent Office.

It is this practice before the Patent Office which the State of Florida has forbidden to petitioner, as long as he resides in Florida, and the sole question before this Court is whether the State of Florida was correct in so prohibiting petitioner from practicing before the Patent Office.

Respondent's brief improperly enlarges the question presented. Very little reference is made by respondent to the federally granted right of petitioner to represent patent applicants before the Patent Office. Instead, respondent restates the question in its brief as whether it is proper for Congress and the Commissioner of Patents to authorize petitioner "to practice law relating to patents and trademarks in Florida" (Respondent's brief, pages 2 and 3, questions 1-5). Having thus enlarged the question so that there would be an apparent intrusion of federal power on some rights traditionally reserved to the states, respondent concludes that petitioner has no right to do anything in Florida concerning patent applications or patents.

Respondent's position is much too broad, since it tries to include two distinctly different practices in one general class. These two practices can be defined as:

> (1) the representation of patent applicants before the Patent Office in the preparation and prosecution of patent applications,
>
> (2) the advising of clients as to their legal rights and/or liabilities relating to patents, such as: whether patent infringement exists, the status of property rights in patents, tax problems re-

lating to patents, problems involved in license agreements, patent problems involved in employer-employee agreements, etc.

As to the first practice above, the Commissioner of Patents has sole power to determine those persons who may represent patent applicants before the Patent Office. A state cannot in any way authorize any of its citizens to practice before the Patent Office, no matter what standards of the state that citizen might meet. If a state authorized any of its citizens to hold himself out as qualified to practice before the Patent Office without recognition from the Commissioner of Patents, that person would violate the penal provisions of 35 U.S.C. § 33.

A member of the bar of a state *may* qualify for admission and be admitted to practice before the Patent Office, but the right to so practice would not be derived from the fact that he was a member of the state bar, but instead the right would be granted solely because the Commissioner of Patents was satisfied that he was qualified to represent applicants before the Patent Office.

In regard to practice before the Patent Office, respondent states, on page 46 of its brief, that it appears universally the law that "authority to admit to the bar and to disbar necessarily carries with it the power to deprive what constitutes the practice of law and to exclude unauthorized persons therefrom." As a corollary, since the State of Florida does not have the power to admit persons to practice before the

Patent Office or to disbar persons from practice before the Patent Office, then it should follow that they have no power to determine who is unauthorized to so practice.

Furthermore, the decisions of the highest Court of a state as to interpretations of state law are not binding on this Court when federal rights are abridged. In *Greenough v. Tax Assessors of City of Newport*, 331 U.S. 486, 497, 67 S. Ct. 1400, 91 L. Ed. 1621 (1947), this Court stated:

> "State courts construe their statutes according to their understanding of state policy and apply them to such situations as their interpretation of the statutory language requires. In so adjudging, they are the final judicial authority upon the meaning of their state law. It is only in circumstances where their judgments collide with rights secured by the federal Constitution that we have power to protect or enforce the federal rights. * * *"

Petitioner firmly disagrees with the decision of the Court below that his practice before the Patent Office is an unauthorized practice of law in Florida and contends that such a decision squarely collides with his federal right and should not be accepted by this Court.

As to the second practice above, relative to general patent rights or liabilities, these matters are not within the purview of practice before the Patent Office and, traditionally, general lawyers of a state have advised clients as to these matters without any

necessity for being admitted to practice before the Patent Office. As to these matters, the state has traditionally had the right to limit such practice to members of its bar.

Thus there are two separate and distinct phases of practice involving patents. One phase relates to practice before the Patent Office, which practice is restricted to those admitted to practice before the Patent Office, and the other phase concerns practice relating to patents other than before the Patent Office, which practice may be undertaken by general attorneys admitted to practice by the states.

Petitioner seeks only to be allowed to continue the phase of practice before the Patent Office, a practice permitted to him by the Commissioner of Patents and forbidden to general attorneys of Florida. Petitioner does not seek to have this Court declare that he has the right to practice any phase of the law traditionally reserved to general attorneys of any state.

As is thus apparent, this action does not present any question of Federal control of patent practice traditionally reserved to the states. Instead, it is a situation wherein the State of Florida has interfered with the function of a Federal agency in an area where the state has no power.

It may be that in the course of representing patent applicants before the Patent Office some registered patent agents are tempted to and do overstep their rights and advise the applicants as to matters of law outside of Patent Office practice. This, of course, is

improper and will necessitate surveillance of the activities of such persons by the bar associations of the states in which they practice to guard against such unauthorized practice of law.

However, this is not a problem unique to practice before the Patent Office. The same problem exists in the operation of realtors, bankers, certified public accountants and many other professions where members of the public seek advice from professional men. In many instances these men overstep their proper fields and advise their clients as to matters which should be left to attorneys. At such times the bar associations of the states then act to restrict these professional men to the proper scope of their professions. Naturally, this policing against unauthorized practice of law may in some cases be more difficult than in other cases. Even so, the mere difficulty of policing is no reason why these professions should be abolished, or that there be a requirement that the members of such professions should become members of the bar in the state in which they practice their professions. The same should be true here.

II. THE PUBLIC IS PROPERLY PROTECTED AGAINST UNAUTHORIZED PRACTICE BEFORE THE PATENT OFFICE BY THE COMMISSIONER OF PATENTS.

In any case involving the unlicensed practice of law the factor of primary concern is the protection of the public from being ill-advised by incompetent or dishonest lawyers.

In the present situation, the power and duty to protect the public against unlicensed practice is vested in the Commissioner of Patents. By statute and regulations adopted pursuant thereto, the Commissioner has full and comprehensive power to admit persons to practice before the Patent Office and to exclude persons from such practice (35 U.S.C. §§ 31, 32; 37 C.F.R. 1.31, 1.341-1.348).

This power has been considered specifically by this Court in *Kingsland v. Dorsey*, 388 U.S. 318, 319, 70 S. Ct. 123, 94 L. Ed. 123 (1949) as follows:

> "The statute under which the Commissioner acted represents congressional policy in an important field. It relates to the character and conduct of 'persons, agents, or attorneys' who participate in proceedings to obtain patents. We agree with the following statement made by the Patent Office Committee on Enrollment and Disbarment that considered this case: 'By reason of the nature of an application for patent, the relationship of attorneys to the Patent Office requires the highest degree of candor and good faith. In its relation to applicants, the Office * * * must rely upon their integrity and deal with them in a spirit of trust and confidence * * *.' It was the Commissioner, not the courts, that Congress made primarily responsible for protecting the public from the evil consequences that might result if practitioners should betray their high trust."

Respondent's brief advances the premise that it is necessary for them to restrict representation of appli-

cants before the Patent Office to members of the Florida bar in order to protect Florida citizens from being represented by incompetent and dishonest laymen, for otherwise its citizens would be unprotected. However, such a premise completely ignores the fact that Congress has fully provided for such protection. Plainly, respondent's action is an invasion of the power congressionally delegated to the Commissioner of Patents.

Typical of the many citations quoted by respondent in its brief at pages 85-94 as justifying its exclusion of petitioner from practice before the Patent Office is the following language in *State v. Perkins*, 138 Kan. 899, 28 P. 2d 765 (1934):

> "'The ultimate purpose of all regulations of the admission of attorneys is to assure the courts the assistance of advocates of ability, learning and sound character to protect the public from incompetent and dishonest practitioners.'"

This is precisely the same purpose as expressed in the Rules of Practice of the United States Patent Office in Patent Cases, 37 C.F.R. 1.341(c):

> "No person will be admitted to practice and registered unless he . . . shall establish to the satisfaction of the Commissioner that he is of good moral character and of good repute and possessed of the legal and scientific and technical qualifications necessary to enable him to render applicants for patents valuable service, and is otherwise competent to advise and assist them in the presentation and prosecution of their applications before the Patent Office. . . ."

Once admitted to practice before the Patent Office "attorneys and agents appearing before the Patent Office must conform to the standards of ethical and professional conduct generally applicable to attorneys before the courts of the United States," (37 C.F.R. 1.344)

If grounds for discipline exist, an attorney or agent may be suspended, disbarred or excluded from practice before the Patent Office (37 C.F.R. 1.348).

Plainly, respondent's belief that it must act to protect the public against unauthorized practice before the Patent Office because no one else will is not only groundless, it is contrary to fact.

III. CONGRESS HAS FULLY AND COMPREHENSIVELY REGULATED THE ADMISSION, CONDUCT AND SUSPENSION OF PERSONS PRACTICING BEFORE THE PATENT OFFICE.

This point has been argued at length in petitioner's opening brief and will not be repeated here. Respondent now asserts that Congress did not intend to authorize the Commissioner to authorize petitioner to practice in Florida before the Patent Office. Respondent first states that the Congressional legislation and rules pursuant thereto are merely "housekeeping" in character and do not authorize practice before the Patent Office. Secondly, respondent takes the position that practice "before" the Patent Office means within the actual physical presence of the Patent Office. Neither of these positions is sound.

A. The Patent Statute and Rules Adopted Thereunder Are Not Merely of a Housekeeping Character But Are a Comprehensive Plan of Admission to and Exclusion From Practice Before the Patent Office.

The patent statutes and rules exclusively control the admission to practice before the Patent Office. The Commissioner of Patents has sole authority to admit persons to practice or exclude them from practice, his decisions being reviewable under 35 U.S.C. § 32 only by the United States District Court for the District of Columbia.

Since no one else, and particularly a state, may authorize anyone to practice before the Patent Office, it is clear that the Commissioner does not have merely a "housekeeping" control over persons seeking admission to practice before the Patent Office. Instead, the Commissioner has the same control over admission and exclusion as does any state bar association over the admission and exclusion of its membership.

If the states had power to designate who should or who should not practice before the Patent Office, then perhaps it could be said that the Commissioner had a purely housekeeping control over such practitioners. However, the states do not have such control.

Plainly, the Commissioner of Patents has primary —and, indeed, sole—power to authorize persons to practice before the Patent Office.

B. Practice "Before" the Patent Office Does Not Mean "in the Presence" of the Patent Office.

Respondent states that practice "before" the Patent Office means actually within the Patent Office, and

that there is no congressional intent that a person should practice before the Patent Office while residing in a state.

This position appears indefensible. There is nothing in the statutes which limits practice before the Patent Office to the District of Columbia, although Congress must have known that patent practitioners reside throughout the United States. The Patent Office recognizes the fact that patent practitioners reside throughout the United States and the Rules of Practice of the Patent Office specifically provide that

> "all business with the Patent Office should be transacted in writing. The personal attendance of applicants or their attorneys or agents at the Patent Office is unnecessary." (37 C.F.R. 1.2)

Plainly, if a patent practitioner resides in a state and transacts business with the Patent Office in writing through the mails, he is practicing before the Patent Office.

Further, there is no requirement that the Patent Office be located in the District of Columbia. In this connection, we quote from a letter of February 18, 1963, from the Solicitor General to the Clerk of this Court:

> "In the brief of the United States, as *amicus curiae*, in the above-captioned case, we noted, p. 14, n. 6, that 'there is no constitutional requirement that the Patent Office be in the District of Columbia * * *.' Since that time we have been advised, and deem it appropriate to apprise the Court, that the General Services Administration,

on February 14, 1963, submitted to the Public Works Committees of the Congress a prospectus providing for 'the construction of a new Patent Office at an urban location outside the District of Columbia metropolitan area.'"

IV. THE AUTHORIZATION OF THE COMMISSIONER OF PATENTS TO RECOGNIZE AND EXCLUDE PERSONS FROM PRACTICE BEFORE THE PATENT OFFICE IS NOT AN UNCONSTITUTIONAL DELEGATION OF JUDICIAL POWER TO THE COMMISSIONER BY CONGRESS.

Respondent's brief, page 3, urges the view that if the patent statutes and rules are interpreted to allow petitioner to reside in Florida and practice before the Patent Office, then the statutes and rules are an unconstitutional invasion of the province of the judiciary under Article III of the Constitution, since the judiciary alone has the power to admit persons to the bar and to disbar, and to define what constitutes the practice of law and to exclude unauthorized persons therefrom.

This position is manifestly incorrect. The Patent Office is not an Article III Court, and there is no attempt to delegate authority to the Commissioner of Patents to regulate practice before any Article III Court or, indeed, before any other Court.

Instead, the Patent Office is an administrative agency created by Congress, and the Commissioner is empowered to regulate admission before the Patent Office. This is a proper delegation of authority under the decision of this Court in *Goldsmith v. United*

States Board of Tax Appeals, 270 U.S. 117, 70 L. Ed. 494, 46 S. Ct. 215 (1926), relative to the admission of a non-lawyer to practice before the Board of Tax Appeals:

> "The chief issue made between the parties is whether the Board of Tax Appeals has power to adopt rules of practice before it by which it may limit those who appear before it to represent the interest of taxpayers to persons whom the board deem qualified to perform such service and to be of proper character.
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> * * *
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> "We think that the character of the work to be done by the board, the quasi judicial nature of its duties, the magnitude of the interests to be affected by its decisions, all require that those who represent the taxpayers in the hearings should be persons whose qualities as lawyers or accountants will secure proper service to their clients and to help the board in the discharge of its important duties. In most of the executive departments in which interest of individuals as claimants or taxpayers are to be passed on by executive officers or boards, authority is exercised to limit those who act for them as attorneys to persons of proper character and qualification to do so. Not infrequently, a statutory provision is made for requiring a list of enrolled attorneys to which a practitioner must be admitted by the executive officer or tribunal. Act July 7, 1884, 23 Stat. 236, 258, c. 334 (Comp. St. § 385); Act July 4, 1884, 23 Stat. 98, 101, c. 181, § 5 (Comp. St. § 684); Act June 10, 1921, 42 Stat. 25, c. 18, § 311 (Comp. St. Ann. Supp. 1923, § 400 4 5 f). In view of these express provisions, it is urged

> that the absence of such authority in case of the Board of Tax Appeals should indicate that it was not intended by Congress to give it the power. *Our view, on the contrary, is that so necessary is the power and so usual is it that the general words by which the board is vested with the authority to prescribe the procedure in accordance with which its business shall be conducted include as part of the procedure rules of practice for the admission of attorneys.* It would be a very curious situation if such power did not exist in the Board of Tax Appeals when in the Treasury Department and the Office of the Commissioner of Internal Revenue there is a list of attorneys enrolled for practice in the very cases which are to be appealed to the board." (Emphasis added.)

Respondent says that state courts can determine who may appear on behalf of others before administrative agencies of the state. This may well be so, since it seems perfectly logical that a state has power to authorize whom it wants to appear before its own bodies. But it is not seen that a state can forbid the appearance of a qualified person before a Federal agency when the state has no power in the first instance to qualify persons to so appear.

V. A STATE HAS NO POWER TO CONTROL OPERATION OF THE UNITED STATES PATENT OFFICE.

As referred to above, a state has power to determine many questions pertaining to patent rights after a patent has issued. Also, a state has the power, prop-

erly used, to prohibit or restrict the use of patented items or to tax income from patents.

However, a state has no power over the operation of the Patent Office. By statute (35 U.S.C. § 141, 35 U.S.C. § 145, 28 U.S.C. § 1542) appeals from the Board of Appeals of the Patent Office may be taken only to the Court of Customs and Patent Appeals or to the United States District Court of the District of Columbia. By statute (35 U.S.C. § 141, 35 U.S.C. § 146, 28 U.S.C. § 1542) appeals from the Board of Interferences of the Patent Office may be taken only to the Court of Customs and Patent Appeals, or to United States District Courts where the venue is proper. By statute (35 U.S.C. § 32) the United States District Court for the District of Columbia is given jurisdiction to review actions of the Commissioner relating to admission or exclusion of persons from practice before the Patent Office.

No jurisdiction has been conferred on any state to review or regulate any operation, action or decision of the Patent Office. In spite of this, respondent intimates (page 80 of its brief) that a state nevertheless can "burden" Federal operations or rights under its police power to some extent. By and large, this may be. However, it is not seen that an exercise of state police power can be justified when it completely destroys federally created rights. Petitioner has a right to practice before the Patent Office, a right granted to him by the Commissioner of Patents and never revoked. Respondent has arbitrarily taken away that right.

The arbitrary nature of respondent's act is well characterized by the fact that it was considered immaterial whether petitioner was qualified to practice before the Patent Office, as is cogently expressed by the Court below at R. 66:

> "In fairness to [petitioner] we make clear that nothing we have said in this opinion is intended to indicate that he is not in fact competent to perform those services he has rendered or that the affairs of any citizen of this state have suffered at his hands."

The arbitrary nature of respondent's act is further characterized by the fact that petitioner was enjoined from practicing before the Patent Office while residing in Florida merely because he is not a member of the Florida bar, *even though membership in the Florida bar does not entitle any member of that bar to do what petitioner was doing.*

Plainly, the arbitrary action of respondent cannot be considered as a reasonable limitation upon petitioner's federally granted rights.

VI. THE POWER OF THE FEDERAL GOVERNMENT AND THE STATES RELATING TO PATENTS CAN BE EQUABLY DETERMINED.

As suggested previously, the division of federal and state power relating to patents is clear.

The Federal government has fully and comprehensively regulated the operation of granting of patents and has empowered the Commissioner of Patents to determine who should represent patent applicants before the Patent Office. The states have no power to authorize anyone to practice before the Patent Office and should be precluded from imposing their own regulations on such practice. On the other hand, general attorneys of the various states have traditionally advised and represented clients in many phases of law relating to patents other than the preparation and prosecution of patent applications before the Patent Office without any need for federal licensing. As to these matters, it is clear that a state may limit the practice thereof to members of its bar and may forbid such practice to laymen.

Thus, as to a patent matter which a general attorney of a state may handle, then a state should have power to declare that the same matter undertaken by a layman constitutes the unauthorized practice of law. As to patent matters which a general attorney may not undertake because of duly authorized federal statutes and rules, then a state should not have power to designate the practice of such matters by a federally licensed practitioner as an unauthorized practice of law in the state.

CONCLUSION

The decision of the Court below should be reversed to permit petitioner to continue in Florida to represent applicants before the Patent Office, a practice for which he has been authorized by the Commissioner of Patents and for which he cannot be authorized by respondent.

Dated, San Francisco, California,
March 6, 1963.

Respectfully submitted,

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